

FEDERAL BUREAU OF INVESTIGATION  
FOI/PA  
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FOI/PA# 1213298-0

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# FEDERAL BUREAU OF INVESTIGATION

Reporting Office <b>CHICAGO</b>	Office of Origin <b>CHICAGO</b>	Date <b>11/30/61</b>	Investigative Period <b>9/27 - 11/24/61</b>
TITLE OF CASE <b>LOUIS ARGER, aka. Elias Argyropoulos (True Name), Louis Argyropoulos, Louis Poulos, Louis J. Poulos, Louis James Argeropoulos, Louis Argos, Louis Argo, John Poulos, Louis Argerious, John Barkos, "Louie the Greek"</b>		Report made by <b>JOHN W. PARISH</b>	Typed By: <b>gmf</b>
		CHARACTER OF CASE  <b>ANTI-RACKETEERING</b>	

SYNOPSIS:

REFERENCE: SAC letter 61-50 dated 9/15/61.

- P -

## LEAD

### CHICAGO

AT CHICAGO, ILLINOIS. Continue to conduct and report investigation concerning background, associates, and activities of LOUIS ARGER.

## ADMINISTRATIVE

Information in this report includes all information available regarding LOUIS ARGER from the indices of the Chicago Office.

This report has been prepared in compliance with Bureau instructions that all information which has been received from

Approved <i>JNL/vcl</i>	Special Agent in Charge	Do not write in spaces below	
Copies made:  ③ - Bureau 3 - Chicago (92-1039)		92-5794-1	MCI-12
			REC-65

1 cc: AAG Criminal Division  
Form 0-6 12/6/61 JNL

COVER PAGE

CG 92-1039

CG 6343-C\* be paraphrased and set out in the body of the report, rather than in the cover pages.

INFORMANTS

CG T-1 is [ ] contacted by SAs JOSEPH G. SHEA and WILLIAM A. MEINCKE from February 8, 1961, through October 16, 1961.

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CG T-2 is PCI [ ] contacted by SA WILLIAM F. ROEMER, JR., on September 27, 1961.

CG T-3 is former PCI [ ] contacted by SA [ ] on April 6, 1960.

CG T-4 is CG 6343-C\*.

CG T-5 is former PCI [ ] contacted by SA WILLIAM F. ROEMER, JR., on September 27, 1960.

/



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

## Copy to:

Report of: JOHN W. PARISH  
Date: 11/30/61

Office: CHICAGO

Field Office File No.: 92-1039

Bureau File No.:

Title: LOUIS ARGER

Character: ANTI-RACKETEERING

## Synopsis:

ARGER resides at 6128 North Keating Avenue, Chicago, Illinois, and claims employment with the National Maintenance Corporation Chicago from 1956 to 1960.

Referral/Consult

[REDACTED] ARGER reportedly owns or has an interest in various strip and clip joints on South State Street in Chicago's Loop area. Information regarding associates and activities of ARGER set out. Arrest record of ARGER set out. Physical description of ARGER set out.

- P -

CG 92-1039

DETAILS: AT CHICAGO, ILLINOIS

I. BACKGROUND

Referral/Consult

Birth

Records of the Chicago Police Department revealed additional birth dates for ARGER as July 1, 1908, and July 1, 1907.

Education

On September 25, 1961, Officer  Intelligence Unit, Chicago Police Department, advised records of the Chicago Police Department reflect ARGER entered the Andrew Jackson School in Chicago during October, 1922, and he had completed the seventh grade. His date of leaving this school was not shown on school records.

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Current Residence

On September 25, 1961, Officer  supra, advised ARGER currently resides with his wife MARY at 6128 North Keating Avenue, Chicago, Illinois.

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On March 16, 1961, CG T-1 advised that LOUIS ARGER's home address is 6128 North Keating Avenue, Chicago, and his private telephone number is PEnsacola 6-2709.

CG T-1 advised in June, 1961, that he had learned from CORNELIUS PITT that LOUIS ARGER is interested in selling his home at 6128 North Keating Avenue, Chicago, and that PITT holds a "phony" mortgage in connection with ARGER's home. He stated that PITT did not explain what he meant by a phony mortgage.

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Relatives

Records of the Chicago Police Department and indices of the Chicago Office reflect the following relatives for LOUIS ARGER:

Father	JAMES ARGYROPOULOS (Deceased)
Mother	THERESA ARGYROPOULOS, nee SVOLOS, also known as EUNICE SVOLOS Present address unknown
Brother	GEORGE ARGER 741 West Armitage Chicago, Illinois
Sister	<div data-bbox="813 936 1136 1026"></div>
Wife	MARY ARGER, nee PITTAS 6128 North Keating Chicago, Illinois
Former wife	HELEN COOPER, nee MICHAELS, Also known as Mrs. R. COOPER, JR. 900 North Lake Shore Drive Chicago, Illinois
Children	<div data-bbox="797 1324 1190 1577"></div>
Uncle	JAMES SVOLOS Present address unknown
Brother-in-laws	CORNELIUS PITT 39 South LaSalle Chicago, Illinois <div data-bbox="793 1815 1285 1931"></div>

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Status of Health

On November 17, 1961, Officer [redacted] supra, advised he had determined that on September 26, 1961, LOUIS ARGER entered Roosevelt Memorial Hospital, 426 Wisconsin Avenue, Chicago, under the name JOHN BARKOS. He said ARGER entered the hospital for treatment of a kidney and heart condition and his attending physician was [redacted]

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[redacted] He gave the name EUNICE SVOLOS, mother, as a reference, and said she was presently in Greece.

Automobile Information

In February, 1961, CG T-1 advised the license plates for LOUIS ARGER's automobile are registered in the name of the National Maintenance Corporation, 543 West Madison Street, Chicago, Illinois.

In August, 1961, CG T-1 advised that LOUIS ARGER drives a blue 1961 Pontiac which is licensed in the name of [redacted] of ARGER. He further advised that ARGER's wife drives a white convertible, 1961 Pontiac, which is licensed in the name of the National Maintenance Corporation.

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Attempt to Interview LOUIS ARGER

LOUIS ARGER, in response to word which was left at one of his places of business, on April 4, 1961, telephonically contacted SA [redacted] and stated that any future interview with him is to be directed to his attorney, namely [redacted]

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On April 11, 1961, [redacted] Attorney, 188 West Randolph Street, Chicago, telephonically contacted the Chicago Office of the FBI and talked to SA WILLIAM F. ROEMER, JR. At this time [redacted] advised SA ROEMER that he had urged ARGER not to submit to an interview by the FBI and not to answer any questions put to him by the FBI. [redacted] stated that his reason for giving this advice to ARGER was to preclude the possibility of the FBI making a conspiracy charge against ARGER sometime in the future, based on whatever admissions ARGER might make regarding his association with any other individuals.

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Miscellaneous

On May 19, 1961, Officer [redacted] Intelligence Unit, Chicago Police Department, advised SA VINCENT L. INSERRA that LOUIS ARGER was among known hoodlums in attendance at the wake of JOHN SORTINO, brother of Chicago hoodlum FRANK FERRARO, which was held at the Lucania Funeral Home, 6901 West Belmont, Chicago, Illinois.

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II. ASSOCIATES

GUS ALEX

In February, 1961, CG T-1 advised a very interesting situation is developing in the relationship between LOUIS ARGER and [redacted]

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CG T-1 advised in April, 1961, that the association

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CG T-1

Sergeant [redacted] Chicago Police Department advised on March 12, 1958, that LOUIS ARGER, also known as LOUIS ARGO, who runs the striptease places on South State Street, reportedly is a lieutenant for GUS ALEX.

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[REDACTED]

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[REDACTED]

is presently connected with

[REDACTED]

[REDACTED]

JOE BOVITO

CG T-1 has advised that one JOE BOVITO is connected with LOUIS ARGER in the operation of the amusement arcades on South State Street in Chicago's Loop, as well as in the operation of the Holiday Lounge, a clip and strip joint. He stated that JOE BOVITO in his own right is worth more than one million dollars.

ENGLISH Brothers  
(BUTCH and CHUCKIE)

CG T-1 advised in March, 1961, that BUTCH and CHUCKIE ENGLISH, who own the Carol Music Company, located on the West Side of Chicago, are forcing out other background music companies. In this connection he said that LOUIS ARGER has one of the background music machines of the Carol Music Company at his Hollywood Lounge, located on South State Street, Chicago. He said the Carol Music Company is getting to be a big thing and that all "outfit" joints have them now and they will be expanding in the Chicago area.

[REDACTED]

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In May 1961 CG T-1 advised he recently learned that [REDACTED]

[REDACTED]

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[REDACTED]

CG T-1 advised that [REDACTED]

[REDACTED]

[REDACTED]

CG T-1 advised that when the LaMain Restaurant, Skokie, Illinois, was burned down in about 1959, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] under subpoena by the Federal Grand Jury in Chicago. [REDACTED]

[REDACTED]

[REDACTED]

LOUIS TORNEBENE

LOUIS TORNEBENE is owner of the SanteFe Hotel located at State and Polk Streets, Chicago. It has been reported that LOUIS ARGER was at one time a partner of TORNEBENE in this hotel and further, that ARGER and TORNEBENEE had prostitutes working for them at the SanteFe Hotel.

CG 92-1039

Miscellaneous

CG T-1 advised that on June 10, 1961, LOUIS ARGER

[REDACTED]

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III. LEGITIMATE ENTERPRISES

The Alden Hotel

CG T-1 advised in May, 1961, that LOUIS ARGER, [REDACTED] and GUS ALEX own the Alden Hotel, which is located on Sheridan Road, just south of Wilson Avenue, in Chicago, Illinois.

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Club Chez Parisian

CG T-1 advised that the Club Chez Parisian, which opened on Labor Day night, 1961, is a strip and clip joint and this club is located on South Wabash Avenue, Chicago, directly across the street from the Brunswick Bowling Company. He advised that [REDACTED]

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[REDACTED] to LOUIS ARGER. He stated the owners of this club are LOUIS ARGER, [REDACTED] CHAPPIE BARTUCCI, and [REDACTED] who he believed are from the [REDACTED] area. These [REDACTED] and have a piece of the ownership of the Chez Parisian. CG T-1 advised further that [REDACTED]

CG T-2 advised on [REDACTED]

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[REDACTED]



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Cinerama Lounge

CG T-1 advised in May, 1961, that LOUIS ARGER, [redacted]

[redacted]

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In July, 1961, CG T-1 advised that one [redacted]

[redacted]

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[redacted]

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Crossroads Restaurant

CG T-1 advised that LOUIS ARGER [redacted]

[redacted]

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[redacted] The owners of this restaurant,  
according to CG T-1 are [redacted], not further identified,

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[redacted] not further identified; [redacted] and who reportedly works for GUS ALEX in [redacted]  
[redacted] According to CG T-1 [redacted]

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Holiday Lounge

CG T-3 advised on April 6, 1960, that to her knowledge the Holiday Lounge, 438 South State Street, Chicago, is owned by LOUIS ARGER. She further advised the Vice Squad of the Chicago Police Department raided the club in March, 1960, and arrested ARGER for allowing pandering in the club.

CG T-1 advised that LOUIS ARGER owns the Holiday Lounge, a clip and strip joint located on South State Street, just south of Van Buren Street in the Loop area of Chicago.

In May, 1961, CG T-1 advised that in connection with the Holiday Lounge LOUIS ARGER [redacted]

He stated that LOUIS ARGER [redacted]

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[REDACTED]

b7D

In July, 1961, CG T-1 advised that [REDACTED]  
[REDACTED] LOUIS ARGER, [REDACTED] the  
Holiday Lounge, located on South State Street, Chicago,  
with ARGER.

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The Kitten Lounge

CG T-1 advised in the latter part of August, 1961, that the Kitten Lounge, located on South Wabash, in Chicago's Loop area, is now open again and is operating as a strip and clip joint. He said this lounge is owned and operated by LOUIS ARGER.

Marcus Auto Construction Company

CG T-1 advised that one HARRY MARCUS, a confident of LOUIS ARGER, had organized the Marcus Auto Construction Company, which had as its business, the purchase of old cars or junked cars from Police Department auctions or public auctions. These cars were in turn repaired and sold to dealers, wholesalers, or the public at auctions again. He said ARGER was a financial backer of one BEN SINGER, who is now deceased, as a partner in the Marcus Auto Construction Company. [REDACTED]

[REDACTED]

The National Maintenance Corporation

CG T-1 advised in February, 1961, that when the National Corporation was started about four or five years ago, LOUIS ARGER [REDACTED]

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[REDACTED]

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CG T-1 advised in the early part of March, 1961, that he had heard LOUIS ARGER had received weekly salary checks in amounts of almost \$220 from the National Maintenance Corporation for a period of approximately four years.

CG T-1 advised that LOUIS ARGER personally holds [redacted] b6 b7C b7D

[redacted]  
[redacted] CG T-1 advised that ARGER had [redacted]

ARGER loaned this money to the National Maintenance Corporation through [redacted] and now the National Maintenance Corporation reflects ARGER on the books as a solicitor reportedly paying him approximately \$250 per week, from which is withheld the normal income tax. This enabled ARGER to cover the original \$40,000 of income and also permits him to file income tax returns each year showing a legitimate employment. CG T-1 is of the opinion ARGER maintains [redacted]

[redacted] in an interview on April 10, 1961, advised SAs [redacted] and WILLIAM F. ROEMER ID that [redacted] b6 b7C

[redacted] He said LOUIS ARGER has never loaned him any money. He stated ARGER was a former employee of his at the National Maintenance Corporation and during this time he furnished ARGER with a car which was owned by the National Maintenance Corporation to be used by ARGER in connection with his sales work for the company. He further advised he allowed ARGER to keep the car when he terminated his employment about one year ago.

An article in the "Chicago Daily News" dated September 16, 1961, concerning the Federal Grand Jury Investigation of the National Maintenance Corporation, reflected in part as follows:

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"In the honky-tonk aspect of the case, a deputy United States Marshal has trudged in and out of South State Street arcades in a so-far unsuccessful search for LOUIS ARGER.

"He has a subpoena for ARGER's appearance before the Grand Jury.

"ARGER is the behind-the-scenes boss of sexy midget movie palaces on South State.

"The jury wants to question him about any connection he might have with National Maintenance. ARGER has eluded subpoena servers calling at his home at 6128 North Keating.

"A reporter looked for ARGER along Arcade Row. "He's usually at the Super Arcade, 500 S. State," said the manager at the Paradise Arcade, 426 South State.

"The Paradise custodian said a deputy marshal had been there seeking ARGER. "I don't know where he is," said the custodian.

"STEIN, co-owner of National Maintenance calls ARGER "my longtime pal." "

An article appearing in the "Chicago Daily News" on October 10, 1961, regarding the Federal Grand Jury investigation regarding the National Maintenance Corporation reflects as follows:

"Deputy United States Marshals have served a subpoena on a reported kingpin of South State Street honky-tonk spots who was a patient in a hospital under another name, The Daily News learned Tuesday.

"LOUIS ARGER, 52, of 6128 North Keating, is scheduled to appear Wednesday before a federal grand jury.

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"The jury is probing the National Maintenance Corporation, 543 West Madison, which supplies janitorial help for several large hotels, mail order houses and McCormick Place.

"Deputy Marshals, acting on a tip, Monday night went to Room 208 in Roosevelt Memorial Hospital to serve the subpoena on ARGER.

"ARGER had given his name as JOHN BARKOS and a phony Near North Side address when he entered the hospital September 26, for a checkup, the Deputies said.

"BEN STEIN, co-owner of National Maintenance, in an interview with a Daily News reporter admitted that ARGER was on the firm's payroll for two years. STEIN said the firm paid ARGER more than \$40,000 for his services as a "salesman" during that period.

"ARGER, a cousin of GUS ALEX, reported kingpin of gambling in the Loop, had been sought since September 19.

"Neither the home nor telephone at 6128 North Keating is under ARGER's name, deputy marshals said, although he lives there."

On November 1, 1961, Assistant United States Attorney [redacted] Chicago, Illinois, advised that

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CG 92-1039  
JWP:LJC

[REDACTED]

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CG T-1 advised in [REDACTED]

[REDACTED]

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CG T-1 advised [REDACTED]

[REDACTED]

[REDACTED]

Paradise Lounge

CG T-1 advised in February, 1961, that LOUIS ARGER is the owner of the Paradise Lounge located on South State Street in the Loop area of Chicago.

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Paradise Nickelodeon

CG T-1 advised in May, 1961, that LOUIS ARGER is the owner of the Paradise Nickelodeon which is located on South State Street in Chicago's Loop area.

The Pink Poodle Lounge

In May, 1961, CG T-1 advised that LOUIS ARGER presently

[REDACTED] b7D  
is located North of the Holiday Lounge on South State Street, Chicago. He advised that [REDACTED]  
[REDACTED]

Property at 116 East Oak Street, Chicago

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CG T-1 advised that LOUIS ARGER, [REDACTED] and GUS ALEX own the building located at 116 East Oak Street, Chicago, Illinois.

Randolph Square

CG T-1 advised in March, 1961, that he had heard the "outfit" receives 20 per cent of the proceeds from the operations of the Randolph Square, a clip joint located at Dearborn and Randolph Streets in Chicago. He said this amount is reportedly paid to the "outfit" through LOUIS ARGER.

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Rouge Club

In September, 1961. CG T-1 advised that LOUIS ARGER

[REDACTED]



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St. Regis Hotel

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[redacted] CG T-1 advised that LOUIS ARGER, GUS ALEX and [redacted] are the owners of the St. Regis Hotel, Chicago, Illinois.

Super Arcade

CG T-1 has advised that LOUIS ARGER is the owner of the Super Arcade, an amusement palace which is located on South State Street in Chicago's Loop area.

Tattoo Stores on South State Street

CG T-1 advised in May, 1961, that LOUIS ARGER owns the tattoo stores located just North of the Holiday Lounge on South State Street Chicago. [redacted]

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Tides Motel

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CG T-1 advised that LOUIS ARGER recently invested a large amount of money into a new motel named the Tides located on Sheridan Road on the North side of Chicago. He said that [redacted]

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IV. ILLEGAL ACTIVITIES

Gambling

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CG 92-1039

Information was received by the Chicago Crime Commission on January 31, 1953 that the "Crime Syndicate" in Chicago had a handbook operating at Polk and State Streets in Chicago across the street from the Showboat Tavern and that LOUIS ARGER and GUS ALEX as well as LOUIS TORNEBENE were the principals.

In a Police report of April 6, 1956, investigating a complaint of the Chicago Crime Commission that LOUIS TORNEBENE, GUS ALEX and others had obtained a charter to operate a bridge club at 400 South State Street and that LOUIS ARGER, partner of TORNEBENE was to set up the gambling operation. The Police stated that a thorough investigation of the complaint did not reflect any such types of business activity in operation or to be set up in the building at 400 South State Street.

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In an interview with [REDACTED]

[REDACTED] resulted in the denial that any such club was to be set up. Police interviewed TORNEBENE and ARGER who denied any such operation claiming they were in business together only so far as operation of the Paradise Arcade was concerned and both of these gentlemen denied knowing GUS ALEX.

#### Prostitution

In a signed statement on [REDACTED]  
[REDACTED] supra, stated the following:

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[REDACTED]

[REDACTED]

[REDACTED]

Information was received on December 21, 1953, by the Chicago Crime Commission that LOUIS ARGER and GUS ALEX together with LOUIS TORNEBENE operated the prostitution racket at the

CG 92-1039

Santa Fe Hotel, 732 South State Street, Chicago.

Information was again received by the Chicago Crime Commission on July 6, 1954 that prostitution was flourishing at the Santa Fe Hotel and it was being handled by LOUIS ARGER known as "Louie the Greek" and GUS ALEX together with LOUIS TORNEBENE.

CG T-1 has advised that [REDACTED]

### Strip Joints

CG T-1 advised on February 7, 1961, that LOUIS <sup>b7D</sup> ARGER is a Lieutenant of GUS ALEX and that it is ARGER's [REDACTED]

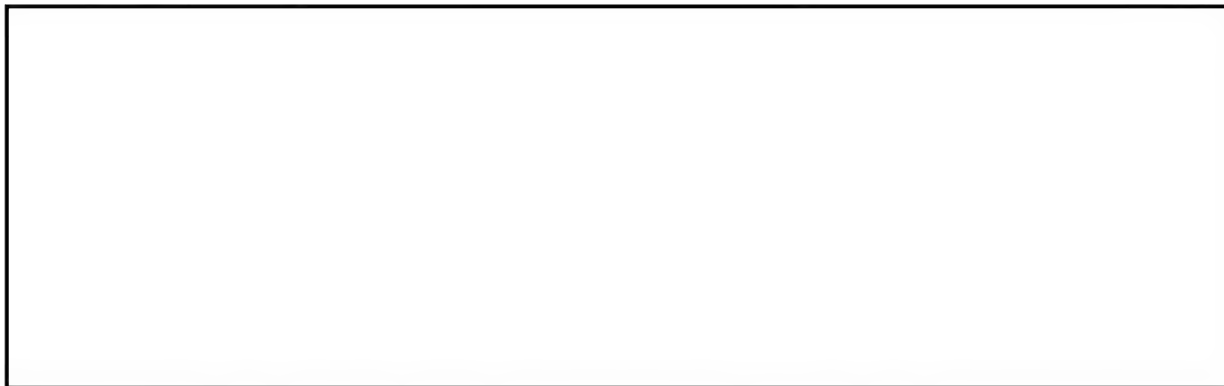
CG T-1 advised that [REDACTED]

[REDACTED] This informant advised that ARGER is also known as LOUIS ARGO, the Mayor of South State Street.

CG T-4 advised during the latter part of 1960 that GUS ALEX received money from gambling, prostitution, strip joints and shylocking activities conducted in the First Ward of the City of Chicago. CG T-4 stated that ALEX receives this

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CG T-4 advised in January, 1960, that he had received information through an associate of FRANK FERRARO that a person named [redacted] whom he could not identify, [redacted]

[redacted] Informant stated that LOUIS ARGER was apparently very crued with this particular girl and all girls who worked for him and for this reason [redacted]

An article in the "Chicago Daily News" dated July 23, 1954 and captioned "Cops Keep Peeking at Peep Shows" with a sub caption "Mob Operator on South State Street" reflected that policemen were ordered to continue investigation of 5 State Street peep shows that show obscene movies at 25 cents a peek.

According to the article, city records showed the operators of the 5 arcades and one of these was the "Paradise, 426 South State Street, Chicago Amusement Corporation, LOUIS R. TORNEBENE, 7130 Euclid, President, LOUIS ARGER, same address as Secretary." The license application of the firm was signed by [redacted]

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Miscellaneous

CG T-1 advised in [redacted]

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He said ARGER had received these [redacted]  
a known Chicago burglar.

CG T-1 advised that several years ago [redacted]

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V. HANGOUTS AND PLACES FREQUENTED

CG T-1 advised that LOUIS ARGER and GUS ALEX spent [redacted]

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[redacted] CG T-5 advised  
that on [redacted]

CG T-1 advised that LOUIE ARGER owns a boat "Marv the  
First". [redacted]

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[redacted] in an interview on April 10, 1961,  
advised SAs [redacted] and WILLIAM F. ROEMER that LOUIS  
ARGER has a boat at Burnham Harbor called "Old Benny".

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On September 25, 1961, Officer [REDACTED] Intelligence Unit, Chicago Police Department, advised records of the Chicago Police Department reflect the following additional arrest record for ARGER:

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<u>Name</u>	<u>Date</u>	<u>Charge</u>	<u>Disposition</u>
LOUIS POULOS	1/7/27	Viol Sec 4016	5.00 Fine
"	1/10/27	Viol Sec 2655	Discharged
"	8/2/26	" " "	"
"	11/8/26	" " "	"
"	1/25/27	" " "	"
"	6/22/28	Robbery	12 mos Probation
		Investigation	2/6/29
LOUIS ARGERIOUS 3/2/60		Soliciting drinks	----

X CITIZENSHIP

Referral/Consult

XI. PHYSICAL DESCRIPTION

The following is a physical description of LOUIS ARGER based on information contained in the Indices of the Chicago Office and the files of the Chicago Police Department:

Name	LOUIS ARGER, aka Elias Argyropoulos, (true name), Louis Argyropoulos, Louis Poulos, Louis J. Poulos, Louis James Argeropoulos, Louis Argos, Louis Argo, John Poulos, Louis Argerious, John Barkos, "Louie the Greek"
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CG 92-1039

Race	White
Sex	Male
Date of birth	May 10, 1907
Place of birth	Tego Tripolis, Greece
Nationality	Greek
Citizenship	United States - naturalized
Residence	6128 North Keating Avenue, Chicago
Height	5'7"
Weight	190 pounds
Hair	Brown, graying and balding
Eyes	Blue
Build	Stocky
Complexion	Sallow
Scars and marks	None known
Occupation	Reported proprietor of various strip joints on South State Street, Chicago
Marital status	Married to MARY PITTAS, date and place unknown
FBI No.	694-438
Social Security No.	321-03-1769
INS No.	175295
Photograph available	
Relatives:	
Father	JAMES ARGYROPOULOS (deceased)
Mother	THERESA ARGYROPOULOS, nee Svolos, aka Eunice Svolos
Brother	GEORGE ARGER
Sister	[REDACTED]
Wife	MARY ARGER, nee Pittas
Former wife	HELEN COOPER, nee MICHAELS
Children	[REDACTED]
Uncle	JAMES SVOLOS
Brother-in-laws	CORNELIUS PITT, [REDACTED]
Ex brother-in-law	[REDACTED]

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UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to  
File No.

Chicago, Illinois  
November 30, 1961

Title LOUIS ARGER, also known as  
Character ANTI-RACKETEERING  
Reference Report of Special Agent John W.  
Parish dated and captioned as  
above.

Characterization of Informants

Chicago T-1 is

[REDACTED]

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[REDACTED]

Chicago T-2 is

[REDACTED]

[REDACTED]

Chicago T-3 is

[REDACTED]

[REDACTED]

Chicago T-4 is

[REDACTED]

[REDACTED]

Chicago T-5 is

[REDACTED]

[REDACTED]

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UNITED STATES GOVERNMENT

# Memorandum

TO : DIRECTOR, FBI

DATE: 11/30/61

FROM : SAC, CHICAGO (92-1039)

SUBJECT: LOUIS ARGER, aka.  
AR

Re report of SA JOHN W. PARISH dated 11/30/61  
at Chicago, Illinois.

There are enclosed herewith 3 copies of referenced  
report. One copy of this report will be furnished by this  
office to the Special Assistant United States Attorney at  
Chicago 10 days from the date of this report UACB.

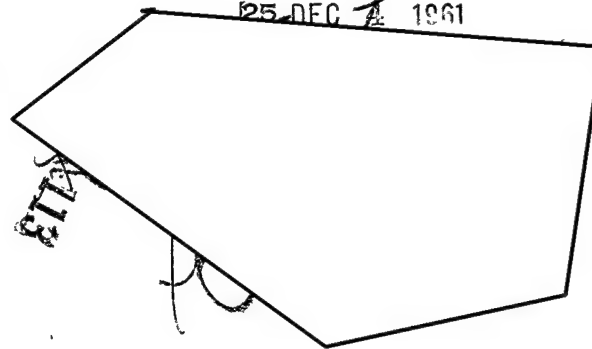
3 ENCLOSURE  
1 to Mr. C. Dir  
1 to Mr. 1541

REC-65 92-5794-2

25 DEC 7 1961

(2) - Bureau (Encls. 3)  
1 - Chicago

(3)



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## FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE <b>CHICAGO</b>	OFFICE OF ORIGIN <b>CHICAGO</b>	DATE <b>2/6/62</b>	INVESTIGATIVE PERIOD <b>11/27/61 - 1/22/62</b>
TITLE OF CASE  <b>LOUIS ARGER, aka.</b>		REPORT MADE BY  <b>JOHN W. PARISH</b>	TYPED BY  <b>lac</b>
		CHARACTER OF CASE  <b>AR</b>	

REFERENCE: Report of SA JOHN W. PARISH dated November 30, 1961, at Chicago.

- P -

LEADCHICAGO


AT CHICAGO, ILLINOIS. Will continue to conduct and report investigation concerning background, associates and activities of LOUIS ARGER.

INFORMANTS

CG T-1 is   contacted by SAs JOSEPH G. SHEA and WILLIAM A. MEINCKE from October 12, 1961, to December 14, 1961.

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COVER PAGE

APPROVED 	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE:		<b>92-5714-3</b>	
(3) - Bureau (92-5794)			
1 - NEW YORK			
2 - Chicago (92-1039)			
DISSEMINATION RECORD OF ATTACHED REPORT			
AGENCY			
REQUEST RECD.			
DATE FWD.			
HOW FWD.			
BY			

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CG 92-1039

CG T-6 is [REDACTED]  
[REDACTED] contacted on January 22, 1962, by SA  
JOHN W. PARISH (Upon request).

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CG T-7 is [REDACTED]  
[REDACTED] contacted by Investigative Clerk FRANCIS  
G. KAHL on January 10, 1962. (By request)

CG T-8 is [REDACTED] contacted by SA WILLIAM A.  
MEINCKE on December 4, 1961.

CG T-9 is [REDACTED] contacted by SA VINCENT L.  
INSERRA on November 13, 1961.

- B\* -

COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Copy to:

1 - to [illegible], [illegible], [illegible]

Report of: SA JOHN W. PARISH  
Date: February 6, 1962

Office: Chicago, Illinois

Field Office File No.: 92-1039

Bureau File No.: 92-5794

Title: LOUIS ARGER

Character: ANTI-RACKETEERING

Synopsis: ARGER continues to reside at 6128 North Keating Avenue, Chicago, Illinois, and continues in operation of strip and clip joints on South State Street in Chicago's Loop area. Information regarding associates and activities of ARGER set out. ARGER and family reportedly traveled to Miami Beach, Florida, for Christmas holidays.

- P -

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CG 92-1039

DETAILS:

BACKGROUND

Residence

CG T-1 advised that LOUIS ARGER continues to reside at 6128 North Keating Avenue, Chicago, Illinois. He further stated that he had recently heard that ARGER is planning to sell this home and is asking in the neighborhood of \$60,000 for the home.

CG T-6 advised that LOUIS ARGER resides at 6128 North Keating Avenue, Chicago, Illinois. She stated she is unaware of ARGER's activities; however, she had heard that he was some type of salesman.

Automobile Information

CG T-1 advised he had recently learned that ARGER is thinking of obtaining a new 1962 Pontiac from [redacted]

It should be noted [redacted] is the [redacted] the [redacted] Chicago, Illinois, and is known to associate with various Chicago hoodlums.

Telephone Information

CG T-7 advised on January 10, 1962, that the telephone listed for 6128 North Keating Avenue, Chicago, Illinois, is PE 6-2709. Source stated, however, that this telephone is listed to one CORNELIUS PITT at this address.

CG T-1 advised in November, 1961, that he had recently learned that LOUIS ARGER was receiving many of his telephone calls at WA 2-0222, which is the telephone number for the Crossroads Restaurant. CG T-1 further advised that [redacted]

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CG 92-1039

ASSOCIATES

[redacted] 211  
CG T-1 has advised that the property rented by LOUIS ARGER in connection with his arcades and strip joints located on South State Street in Chicago is [redacted]

[redacted] Source advised that [redacted] the property on which the Super Arcade is built and that the Super Arcade was built at the suggestion of GUS ALEX for ARGER.

GUS ALEX *Charles, Ill.*

CG T-1 advised that [redacted]

CG T-1 advised that as of the latter part of November, 1961, it was being rumored that ALEX was giving ARGER a lot of heat recently as a result of the newspaper articles regarding South State Street strip joints which link ARGER's name to ALEX. He said ARGER is obviously worried over ALEX' displeasure over this entire situation.

CG T-1 advised that during December, 1961, LOUIS ARGER was attempting to get in touch with GUS ALEX and in this connection. [redacted]

CHARLES "CHAPPIE" BERTUCCI *Charles, Ill.*

CG T-8 advised that he had recently learned that "CHAPPIE" BERTUCCI is now associated with ARGER in the

CG 92-1039

operation and ownership of a strip joint called the Cafe Parisian. [REDACTED]

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[REDACTED]

[REDACTED]

CG T-1 has advised that [REDACTED] is a close friend of LOUIS ARGER and further, that [REDACTED]

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CG T-1 also advised he had heard that [REDACTED] was among individuals who had been invited to Thanksgiving dinner at the home of ARGER.

[REDACTED]

CG T-1 advised that [REDACTED] was among a number of individuals who had been invited to a Thanksgiving dinner at the home of LOUIS ARGER.

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CG T-1 later advised that [REDACTED]

[REDACTED]

ARGER's home, which in the informant's opinion, tends to indicate that ARGER is rapidly losing favor with the more powerful people in the "organization".

[REDACTED]

CG T-1 advised that LOUIS ARGER and his wife, MARY, occasionally visit with [REDACTED] described by the informant as [REDACTED]

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CG 92-1039

[redacted]  
and so forth. CG T-1 advised that ARGER occasionally  
[redacted]  
[redacted]

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CG T-1 advised that [redacted]

[redacted] was among individuals who were invited to a Thanksgiving dinner at the home of ARGER.  
[redacted]

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CG T-1 advised that [redacted]

were also among individuals invited to a Thanksgiving dinner at ARGER's home. Informant advised that [redacted] is used by ARGER in connection [redacted]  
[redacted]

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CG T-1 advised in December 1961 he had learned that [redacted]  
[redacted]

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#### HARRY MARCUS

CG T-1 advised that HARRY MARCUS was among a number of individuals who were invited to a Thanksgiving dinner at the home of ARGER. MARCUS is also reportedly employed at the Kitten Lounge, which is said to be owned by ARGER.  
[redacted]

CG T-1 advised that [redacted] attended a Thanksgiving dinner at the home of LOUIS ARGER. Informant stated [redacted]  
[redacted]

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CG T-1 advised that [redacted]  
[redacted]

CG 92-1039

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[REDACTED]

CG T-1 advised that he had learned that one [REDACTED]

[REDACTED]

ONLY  
DATE  
[REDACTED]

CG T-1 advised that during November, 1961, while ARGER was attempting to duck a federal subpoena, he got in touch with [REDACTED] on a trip to the Southwest and the West Coast. According to informant, [REDACTED] and [REDACTED] was found guilty of arson in connection with the burning of this restaurant.

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CG T-1 advised he had recently heard that [REDACTED]

[REDACTED]

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III.

CG T-1 advised that [REDACTED]

[REDACTED]

formerly known as [REDACTED]

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## FEDERAL BUREAU OF INVESTIGATION

Date December 28, 1961

[redacted] was interviewed at the Chez Parisian Review located at Wabash and Balbo Avenues where attempts were being made to locate and interview LOUIS ARGER. When questioned as to the identity of the owners of the Chez Parisian Review, [redacted] stated that CHARLES BERTUCCI was the owner of the club. [redacted] stated that he had just come to the club to visit BERTUCCI whom he described as his very good friend. When questioned as to his employment [redacted] replied that [redacted]

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[redacted] stated that he knew LOUIS ARGER but did not know where he could be located.

On 12/15/61 at Chicago, Illinois File # 92-373  
92-1039  
by SAs JOHN W. DARRISH & [redacted] Date dictated 12/21/61

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## FEDERAL BUREAU OF INVESTIGATION

December 28, 1961

Date

CHARLES BERTUCCI was interviewed at the Chez Parisian Review, South Wabash and Balbo Avenues, after [redacted] had stated that BERTUCCI was the owner of the Chez Parisian Review. BERTUCCI denied he is the owner of the club and stated [redacted] was only kidding him when he stated he was the owner. BERTUCCI stated he was only at the club, which was closed for alterations, to help out the owner. He stated that the owners of the club to his knowledge were [redacted] who were originally from New York or New Jersey. He stated that he usually helps the owners out daily doing odd jobs at the club for them. He said that he is acquainted with LOUIS ARGER but that to his knowledge ARGER has no interest in the club. He denied that anyone is fronting for ARGER in the ownership of the club and again denied that he had any financial interest himself in the club. BERTUCCI stated that he did not know GUS ALEX other than what he had read about him in the newspapers.

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On 12/15/61 at Chicago, Illinois

File #

92-373  
92-1039

SAs JOHN W. DADISH &amp; [redacted]

Date dictated 12/21/61

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CG 92-1039

Cosmopolitan Life Insurance Company

CG T-1 advised he had heard that the Cosmopolitan Life Insurance Company of Los Angeles had taken in GOODWIND KNIGHT, former Governor of California, as chairman and president of the company. Informant advised that LOUIS ARGER owns stock in the Cosmopolitan Life Insurance Company.

National Maintenance Corporation

CG T-1 has advised that [REDACTED]

[REDACTED]

CG T-1 advised he had heard that ARGER was highly

[REDACTED]

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CG T-1 advised he believes that ARGER feels sorry for [REDACTED] National Maintenance Corporation, who is apparently taking the rap for [REDACTED] because Informant further advised that ARGER [REDACTED] because [REDACTED] during the Grand Jury [REDACTED]

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CG T-1 advised in December, 1961, that according to ARGER, [REDACTED]

CG 92-1039

National Maintenance Corporation straightened out now  
inasmuch as [redacted] corporation.

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[redacted]  
[redacted] apparently feels that he is  
now safe and that the investigation will cease as [redacted]  
has been made a "scapegoat".

Paradise Arcade

CG T-1 advised that the Paradise Arcade, located  
on South State Street, Chicago, [redacted]

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[redacted]  
[redacted] Informant said that most people are  
of the opinion that these arcades, as well as the strip  
joints, are not profitable establishments.

## FEDERAL BUREAU OF INVESTIGATION

Date December 28, 1961

[ ] stated that he is the [ ] at the Paradise Arcade, South State Street, Chicago. He stated that he leases a portion of the Paradise Arcade to do his [ ]. He stated that he pays [ ] \$30 per week for rental of the space at the Paradise Arcade. He stated that he never heard of LOUIS ARGER. It is to be noted that [ ] when interviewed, advised Bureau Agents that LOUIS ARGER was the owner of the Paradise Arcade.

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On 12/15/61 at Chicago, Illinois File # 92-373  
92-1039  
by SAs JOHN W. PARISH & [ ] Date dictated 12/21/61

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CG 92-1039

Super Arcade

CG T-1 advised that the Super Arcade, located on the Congress Expressway at State Street in Chicago, realizes about [REDACTED]

[REDACTED] Informant also advised that the Super Arcade was built for LOUIS ARGER at the suggestion of Chicago hoodlum GUS ALEX.

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## FEDERAL BUREAU OF INVESTIGATION

December 28, 1961

Date

[redacted] advised that his current residence is [redacted] He stated that he is the [redacted]

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[redacted] He stated that he has been the [redacted] of the [redacted] since it opened in 1952. He stated that in the operation of his enterprise he has never been muscled by anyone to pay any portion of his profits of his businesses in order to operate these businesses. He stated that he has never paid anyone for protection or any political favors in order to operate his businesses.

[redacted] stated that he is acquainted with GUS ALEX only through newspaper publicity. He stated that he is acquainted with LOUIS ARGER and knows him to be the owner of the Paradise Arcade on South State Street. He stated that perhaps ARGER is also the owner of other arcades and show lounges on south State Street but he was not aware of this. He stated that he was of the opinion that the Wonderland Arcade and the Midwest Arcade, both on South State Street were owned by an individual other than ARGER but that he did not know the identity of this other person.

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[redacted] stated that he has no financial interest in the Chez Parisian Review on South Wabash Street and does not know the owners of this establishment. He stated that LOUIS ARGER has no financial interest whatsoever in either of [redacted] namely the [redacted] and the [redacted]

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On 12/15/61 at Chicago, Illinois File # 92-373  
92-1039

SAs JOHN W. PARISH &amp;

by [redacted] Date dictated 12/21/61

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## FEDERAL BUREAU OF INVESTIGATION

Date December 28, 1961

[redacted] advised that he resides at [redacted]  
[redacted] and is the [redacted]  
of the Amusement Palace, 404 South State Street, Chicago.  
He stated that his employer, to his knowledge, is [redacted]  
and that he did not know LOUIS ARGER but had heard of him.  
[redacted] stated that he pays the help of the Amusement  
Palace for [redacted]. When questioned as to the possibility  
that LOUIS ARGER may actually own the Amusement Palace  
or have a financial interest in the ownership, [redacted]  
stated that "that type of talk is all hush hush and he  
did not know whether ARGER owned any portion of the  
business".

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On 12/15/61 at Chicago, Illinois File # 92-373  
by SAs JOHN W. DANISH [redacted] Date dictated 12/21/61

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CG 92-1039

Star and Garter, Formerly Known  
as the Kitten Lounge

CG T-1 advised in early November, 1961, that a

[redacted]  
[redacted] for LOUIS ARGER. [redacted]

[redacted]  
[redacted] Informant was of the opinion that [redacted]

[redacted]

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## FEDERAL BUREAU OF INVESTIGATION

Date December 28, 1961

HARRY MARCUS was contacted at the Kitten Lounge, 436 South State Street, Chicago, Illinois. MARCUS stated he is a floorman at the Kitten Lounge and has been so employed since the lounge reopened a little over a month ago. He stated that to his knowledge one MAX GROSS was sole owner of the Kitten Lounge. MARCUS denied that he had any interest whatsoever in the Kitten Lounge. He further advised that [redacted] has nothing to do with the Kitten Lounge to his knowledge and further that LOUIS ARGER has nothing to do with the management of the lounge. He also stated that so far as he knows, ARGER does not own any part of the Kitten Lounge.

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MARCUS states he did not know GUS ALEX personally and knew nothing of his activities except what he has read in local papers.

MARCUS stated he knew nothing of payoffs to the police in connection with the operation of State Street strip joints. He further advised he knew of no payments to members of the Syndicate from any of these establishments.

On 12/15/61 at Chicago, Illinois File # Chicago 92-373  
SAs JOHN W. PARISH and  
by [redacted] Date dictated 12/21/61

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CG 92-1039

Miscellaneous

CG T-1 advised he had heard that LOUIS ARGER

HANGOUTS AND PLACES FREQUENTED

CG T-9 advised that LOUIS ARGER is known to frequent the Crossroads Restaurant, 400 South State Street, Chicago, and he has been seen here on occasion with Chicago hoodlum RALPH PIERCE.

It is also noted that CG T-1 has reported that

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POLICE PROTECTION  
AND POLITICAL TIES

CG T-1 has advised that

CG 92-1039

[REDACTED]

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CG T-1 has also advised that a [REDACTED]

[REDACTED]

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CG T-1 advised he had heard that one (FNU) [REDACTED]

[REDACTED]

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CG T-1 further advised he had heard that [REDACTED]

[REDACTED]

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Informant explained that in his opinion [REDACTED]

[REDACTED]

CG T-1 advised he had recently heard that ARGER

[REDACTED]

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CG 92-1039

[REDACTED]

b7D

CG T-1 advised that [REDACTED]

[REDACTED]

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[REDACTED]

CG T-1 advised that [REDACTED]

[REDACTED]

TRAVEL

CG T-1 advised that LOUIS ARGER [REDACTED]

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and [REDACTED]

[REDACTED]

CG T-1 advised on [REDACTED]

[REDACTED]

CG 92-1039

[Redacted]

CG T-1 later advised he had heard that ARGER [Redacted]

[Redacted]

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In Reply, Please Refer to  
File No.

UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois  
February 6, 1962

Title: LOUIS ARGER

Character: ANTI-RACKETEERING

Reference: Report of Special Agent John W.  
Parish, dated and captioned as  
above, at Chicago, Illinois.

Characterization of Informants

CG T-1 is an individual who is acquainted with

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CG T-6 is an individual who has been able to furnish

CG T-7 is an individual who, because of his

CG T-8 is an individual who on occasion is able

CG T-9 is an individual who has been able to furnish

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nor conclusions of the FBI. It is the property of the FBI  
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to be distributed outside your agency.

## FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE <b>CHICAGO</b>	OFFICE OF ORIGIN <b>CHICAGO</b>	DATE <b>4/3/62</b>	INVESTIGATIVE PERIOD <b>1/23 - 3/27/62</b>
TITLE OF CASE  <b>LOUIS ARGER, Aka.</b>		REPORT MADE BY  <b>JOHN W. PARISH</b>	TYPED BY  <b>JMG</b>
		CHARACTER OF CASE  <b>ANTI-RACKETEERING</b>	

REFERENCES: Report of SA JOHN W. PARISH dated 2/6/62 at Chicago.  
Miami letter to Chicago dated 3/5/62.

- P -

ENCLOSURES      TO THE BUREAU

Enclosed herewith for the Bureau are two copies of a letterhead memorandum setting forth a characterization of informants utilized in this report.

LEADS

CHICAGO

AT CHICAGO, ILLINOIS. Will continue to conduct and report investigation concerning the background, associates, and activities of LOUIS ARGER.

APPROVED <i>[Signature]</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE		92-114-4	REC-72
③ - Bureau (92-5794) <del>(92-114-2)</del> 1 - USA, Chicago 1 - Miami (92-797) (INFO) 2 - Chicago (92-1039) SPECIAL AGENT IN CHARGE BFC		APR 9 1962 STAT. SECT.	
DISSEMINATION RECORD OF ATTACHED REPORT		NOTATIONS	
AGENCY.....	U.S. DEPT. OF JUSTICE	b6 b7C	
REQUEST RECD. 4/16/62	FBI		
DATE FWD. 2-16			
HOW FWD. jgk			
BY.....			

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CG 92-1039

MIAMI

AT MIAMI, FLORIDA. An information copy of this report is being submitted to the Miami Office in view of investigation presently being conducted in this matter by that office.

ADMINISTRATIVE

Inasmuch as [REDACTED]

b7D

INFORMANTS

[REDACTED] contacted by SAs JOSEPH G. SHEA and WILLIAM A. MEINCKE on various dates from December 21, 1961, to February 15, 1962.

b7D

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago

Report of: SA JOHN W. PARISH  
Date: April 3, 1962

Office: CHICAGO

Field Office File No.: 92-1039

Bureau File No.: 92-5794

Title: LOUIS ARGER

Character: ANTI-RACKETEERING

Synopsis: ARGER continues to reside at 6128 North Keating Avenue, Chicago, Illinois, and continues in operations of strip and clip joints on South State Street in the loop area of Chicago. Information regarding activities and associates of ARGER set out. Investigation at Miami in effort to verify ARGER's travel to Miami Beach, Florida, during the holiday season negative to date.

- P -

CG 92-1039

BACKGROUND

Residence

Investigation during February 2, and February 3, 1962, revealed that LOUIS ARGER continues his residence at 6128 North Keating Avenue, Chicago, Illinois.

Automobile Information

CG T-1 recently advised that MARY ARGER, wife of subject, continues to drive a 1959 or 1960 white two-door Pontiac from the Henry Susk Pontiac Agency. He advised that ARGER does not have a 1962 model for himself as yet but plans to get on in the near future.

Status of Health

In January, 1962, CG T-10 advised that physically LOUIS ARGER is a very sick man having lost a considerable amount of weight. He stated that ARGER is presently down to 160 pounds from well over 200 pounds in the past. CG T-10 advised that the pressure that has been on ARGER recently regarding recent newspaper articles linking him to GUS ALEX and [redacted] has been telling.

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ASSOCIATES

[redacted]

CG T-11 advised on February 2, 1962, [redacted]

[redacted]

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CG 92-1039

[redacted]

CG T-12 recently advised that [redacted] is still very angry with LOUIS ARGER and vice versa. He stated that [redacted]

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[redacted]

CG T-1 advised on February 15, 1962, that

[redacted]

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[redacted]

CG T-1

[redacted]

[redacted]

In addition, [redacted] is

[redacted]

[redacted]

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In January, 1962, CG T-10 advised that one

[redacted]

[redacted]

CG T-11 advised recently that [redacted]

b6  
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b7D

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

CG 92-1039

[redacted]

CG T-12 advised that [redacted]

[redacted]

b6  
b7C  
b7D

LEGITIMATE INTERPRISES

Chez Parisian Lounge

CG T-1 advised in January, 1962, that an individual named [redacted] (last name unknown) [redacted]

b6  
b7C  
b7D

[redacted]

Inquiry at the Illinois Liquor Control Board, 188 West Randolph Street, Chicago, Illinois, on March 26, 1962, revealed that liquor license number 15705 was issued to the above establishment on August 28, 1961, under the name of the Chez Dot, Incorporated, 636 South Wabash, Chicago. The license expires on August 31, 1962. The application for the license was made by [redacted] and reflect that the corporation was formed on June 24, 1961. The officers were listed as [redacted]

b6  
b7C

[redacted]

CG 92-1039

Cosmopolitan Insurance Company

CG T-10 advised with reference to [REDACTED]

[REDACTED]

b6  
b7C  
b7D

CG T-10 advised that LOUIS ARGER had an original

[REDACTED]

[REDACTED]

He advised that recently

b7D

[REDACTED]

According to CG T-10, HARRY MARCUS, a close  
associate of LOUIS ARGER, has advised that [REDACTED] come

[REDACTED]

[REDACTED]

b6  
b7C  
b7D



CG 92-1039

[redacted]  
either. He advised that [redacted]  
[redacted]

b6  
b7C  
b7D

Holiday Show Lounge, Incorporated

Inquiry at the Illinois Liquor Control Board, 188 West Randolph Street, Chicago, on March 26, 1962, revealed that liquor license number 19955 was issued to the above establishment on February 19, 1962, and the license expires on January 31, 1963. The application for the license reflects this establishment was incorporated on December 27, 1955, and the officers were [redacted]  
[redacted]

b6  
b7C

Star and Garter

With reference to the Star and Garter Lounge, CG T-11 advised he had recently learned that the sign which LOUIS ARGER had made up for the Star and Garter was manufactured by a company in River Grove, Illinois. He stated this firm is run by an individual named [redacted] (last name unknown) who is reported to be well connected with the "outfit" and has many hoodlum connections.

b6  
b7C  
b7D

It should be noted that information regarding political contacts made by ARGER in connection with the sign for the above establishment has been set forth in this report under the caption "Police Protection and Political Ties."

CG 92-1039

On January 29, 1962, CG T-12 advised that

[redacted]  
[redacted] by ARGER. It is noted that previous  
mention has been made of [redacted]  
[redacted] CG T-12 is of the opinion  
that [redacted]  
at the [redacted]

b6  
b7C  
b7D

CG T-1 advised he had recently heard from

[redacted]  
[redacted]  
[redacted]  
[redacted]

b6  
b7C  
b7D

Inquiry at the Illinois Liquor Control Board,  
188 West Randolph Street, Chicago, on March 26, 1962,  
revealed that their records contain no record of the  
Star and Garter Lounge by name. It was determined,  
however, that a liquor license was issued on August 15,  
1961, to one MAX GROSS at 424 South State Street, Chicago,  
the address of this lounge. This license expires on  
July 31, 1962. The owner of the premises at this address  
was listed as [redacted]

b6  
b7C

### ILLEGAL ACTIVITIES

#### Gambling

CG T-10 advised he had recently learned from

[redacted]

b6  
b7C  
b7D

CG 92-1039

CG T-11 advised recently that according to  
LOUIS ARGER, one [redacted]  
[redacted]  
[redacted]  
[redacted]

b6  
b7C  
b7D

CG T-11 advised that by way of background [redacted]  
[redacted]

Shylocking

CG T-12 advised that [redacted]  
[redacted]

b7D

Miscellaneous

CG T-1 has advised that [redacted]  
[redacted]  
[redacted]

b6  
b7C  
b7D

[redacted] According  
to CG T-1 [redacted]  
[redacted]  
[redacted]

CG 92-1039

POLICE PROTECTION AND POLITICAL TIES

CG T-10 advised he had heard that sometime prior

[REDACTED]

He stated that

[REDACTED]

[REDACTED]

CG T-10 advised

[REDACTED]

[REDACTED]

CG T-10 further advised that

[REDACTED]

[REDACTED]

b6  
b7C  
b7D

CG T-11 has advised that [redacted] who is presently assigned to either the [redacted]

CG T-12 advised he had recently learned that in

- 10 -

CG 92-1039

CG T-1 advised he recently learned that LOUIS  
ARGER [redacted]

[redacted]

CG T-10 advised he had learned that on January 10,  
1962. [redacted]

[redacted]

[redacted] ARGER reportedly complained that

According to CG T-10, ARGER feels that [redacted] is very well

[redacted]

CG T-11 has advised that on about February 1,  
1962. LOUIS ARGER [redacted]

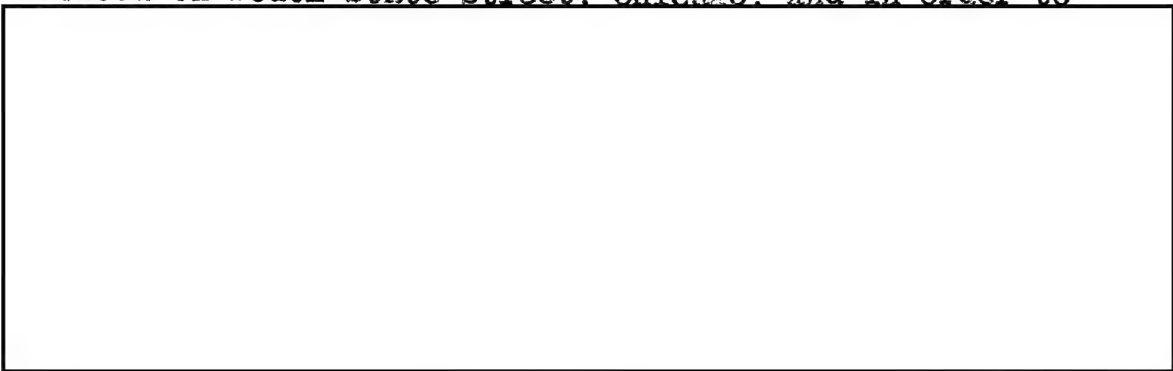
[redacted]

b6  
b7C  
b7D

b7D

CG 92-1039

On February 8, 1962, CG T-12 advised that it is interesting to note that LOUIS ARGER has been successful in placing a sign outside of the Star and Garter Lounge located on South State Street, Chicago, and in order to



b6  
b7C  
b7D

TRAVEL

CG T-1 recently advised that LOUIS AEGER had



CG T-10 advised that AEGER had recently mentioned



CG 92-1039

[REDACTED] CG T-10 was of the opinion

b7D

On February 10, 1962, [REDACTED]  
Sahara Motel, advised SA ELMER C. MULLEN he had no record  
of the subject under his true name or any known aliases  
or of [REDACTED] or the subject's wife and children as  
registrants at the Sahara Motel during December or January,  
1962.

b6  
b7C

Inquiry of established sources and informants has  
thus far failed to reveal the subject's presence in Miami  
or Miami Beach.

The following hotels and motels at Miami Beach  
have been checked by SA ELMER C. MULLEN during the period  
February 8 to 16, 1962, for the subject, with negative  
results:

Eden Roc  
Fontainebleau  
Montmartre  
Barcelona  
Carillon  
Waldman's  
Sorrento  
Broadripple  
Malaluka  
Bal Harbour  
Singapore  
Soverign  
Surrey

On February 16, 1962, [REDACTED]  
[REDACTED] Marine Inspection Division, United States Coast  
Guard, 150 Southeast Third Avenue, Miami, Florida, advised  
that he has no record of an individual holding seaman's papers

b6  
b7C



CG 92-1039

or ocean operator's license under the name of [redacted] or [redacted] advised he had an individual named [redacted] who holds Ocean Operator's License [redacted] issued by the United States Coast Guard on June 9, 1958.

b6  
b7C

[redacted] advised that without the name of the vessel, it was practically impossible to ascertain who might be the captain of the boat in question.

On February 27, 1962, it was ascertained that [redacted] but was not working on instant date. It was determined that [redacted] would return to work this week. According to the source at the [redacted] [redacted] was possibly out on a boat, the name of which was unknown to him, at the time of contact.

b6  
b7C

MISCELLANEOUS

CG T-11 has advised that LOUIS ARGEE has instructed

b7D



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to  
File No. 92-1039

Chicago, Illinois  
April 3, 1962

Title LOUIS ARGER

Character ANTI-RACKETEERING

Reference Report of SA JOHN W. PARISH dated and  
captioned as above at Chicago, Illinois.

All sources (except any listed below) used in referenced  
communication have furnished reliable information in the past.



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to  
File No. 92-1039

Chicago, Illinois  
April 3, 1962

RE: LOUIS ARGER  
ANTI-RACKETEERING

Reference is made to report of Special Agent John W. Parish dated April 3, 1962, at Chicago, Illinois, captioned as above.

Characterization of Informants

All sources utilized in referenced communication unless otherwise indicated has furnished reliable information in the past.



b7D

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

# FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE <b>CHICAGO</b>	OFFICE OF ORIGIN <b>CHICAGO</b>	DATE <b>5/31/62</b>	INVESTIGATIVE PERIOD <b>3/28 - 5/21/62</b>
TITLE OF CASE  <b>CHANGED LOUIS LARGER, Aka. L. Anglis</b>		REPORT MADE BY <b>JOHN W. PARISH</b>	TYPED BY <b>bt</b>
		CHARACTER OF CASE  <b>AR</b>	

Title is marked "changed" to add the additional alias of L. ANGLIS under which the subject was registered at the Atlantis Hotel, Miami Beach, Florida, from December 17, 1961 to December 30, 1961.

REFERENCE: Report of SA JOHN W. PARISH dated 4/3/62 at Chicago.

- P -

## ENCLOSURE TO THE BUREAU

Enclosed herewith for the Bureau are two copies of a letterhead memorandum setting forth a characterization of informants utilized in this report.

- A -

## COVER PAGE

APPROVED  <i>[Signature]</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE:		<b>92-5794-5</b>	<b>MCI-12</b>
3 - Bureau (92-5974) (Encl. 2)			<b>REC-15</b>
1 - USA, Chicago		<b>JUN 4 1962</b>	<b>EX-115</b>
2 - Chicago (92-1039)		<b>STAT. SECT.</b>	<b>b6 b7C</b>
DISSEMINATION RECORD OF ATTACHED REPORT		NOTATIONS	
AGENCY.....	<i>Chicago Dir</i>		
REQUEST RECD.	<i>6/13/62</i>		
DATE FWD.	<i>07</i>		
HOW FWD.	<i>52</i>		
BY.....	<i>53 JUN 13 1962</i>		

1-1041

CG 92-1039

LEAD

CHICAGO

AT CHICAGO, ILLINOIS. Will continue to conduct and report investigation concerning the background, associates, and activities of LOUIS ARGER.

ADMINISTRATIVE

Inasmuch as

b7D

b6  
b7C  
b7D

- B\* -

COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago

Report of: SA JOHN W. PARISH  
Date: May 31, 1962

Office: CHICAGO

Field Office File No.: 92-1039

Bureau File No.: 92-5974

Title: LOUIS ARGER

Character: ANTI-RACKETEERING

Synopsis: Title changed to add alias of L. ANGLIS under which ARGER registered at Atlantis Hotel, Miami Beach, Florida. ARGER continues to reside at 6128 North Keating Avenue, Chicago, Illinois, and continues in operation of strip and clip joints on South State Street in Chicago's Loop area. Senate investigator advised ARGER served subpoena 5/17/62 to appear before Senate Committee in Washington, D. C. for hearings scheduled to begin on 6/5/62. Interview of neighbors set out. Information regarding ARGER's travel to Miami Beach, Florida over holiday season set out.

- P -

CG 92-1039

### BACKGROUND

#### Residence

Investigation during the period revealed that LOUIS ARGER continues to maintain his residence at 6128 North Keating Avenue, Chicago, Illinois.

CG T-1 has advised that ARGER is attempting to obtain an apartment at the Marina Tower apartments on Wacker Drive in Chicago. He said ARGER is attempting to sell his present home for \$75,000.

#### Automobile Information

CG T-10 advised that ARGER and his wife presently have their personal automobiles, both Pontiacs, in ARGER's name and are registered at 426 South State Street, Chicago, which is the address of the Star and Garter Lounge, owned by ARGER.

On April 6, 1962, SAs JOHN W. PARISH and [redacted] observed two red 1962 Pontiac automobiles parked in ARGER's garage at 6128 North Keating Avenue, Chicago. The license numbers for these automobiles were LX 6014 and DL 843.

b6  
b7C

A listing of 1962 Illinois license numbers revealed that LX 6014 is assigned to LOUIS ARGER, 426 South State Street, Chicago, on a 1962 Pontiac. The listing also revealed that Illinois license DL 843 was assigned to the Henry Susk Pontiac Company, 520 North Wabash Avenue, Chicago.

It was also noted on April 6, 1962, that ARGER had two large police dogs tied at each side of his garage which according to neighbors, are quite vicious.

### ASSOCIATES

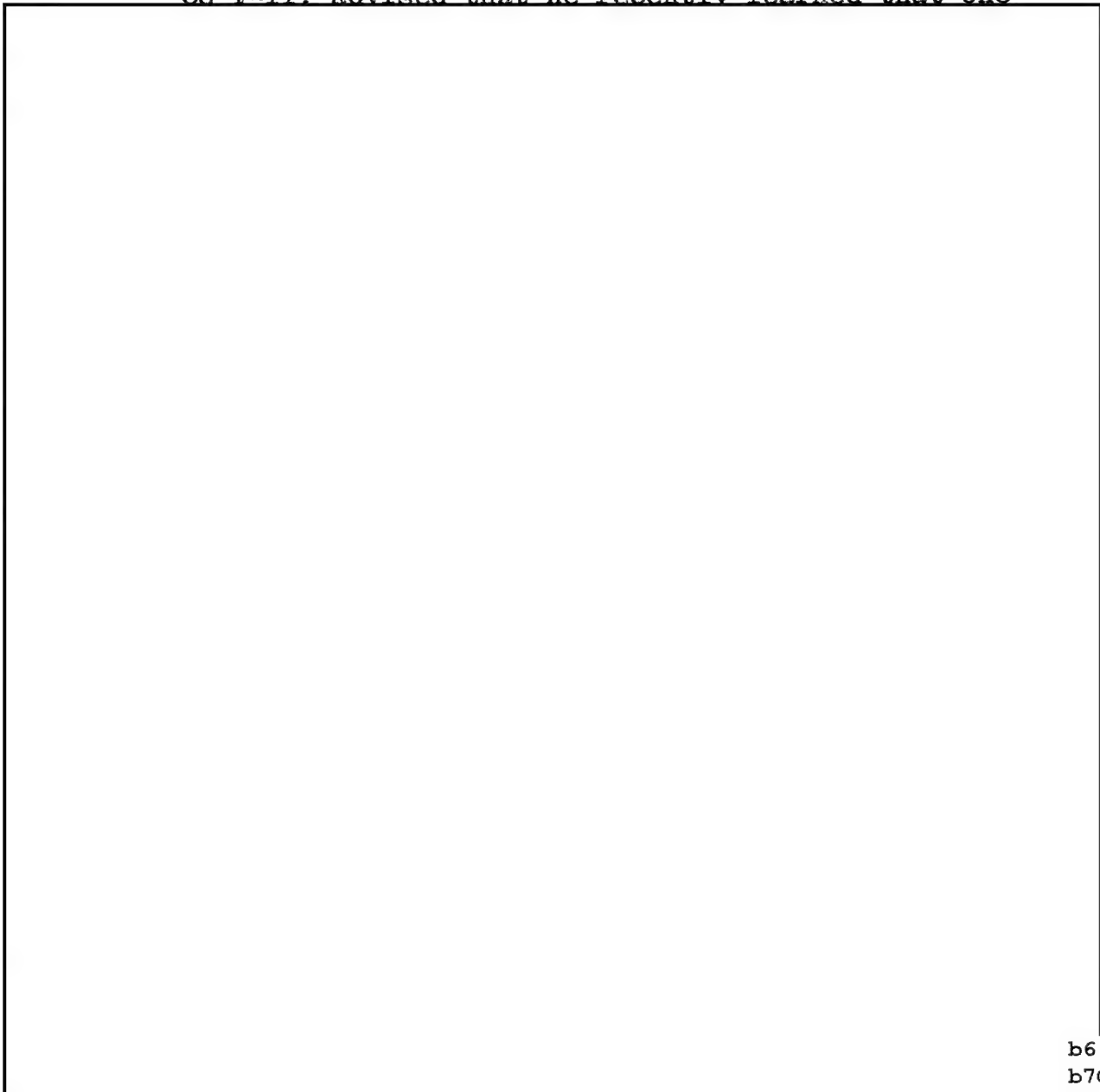
#### GUS/ALEX

CG T-13 advised on March 16, 1962, that in his opinion, LOUIS ARGER is the representative for Chicago hoodlum GUS ALEX in connection with the operation of strip joints on South State Street in Chicago.

CG 92-1039

CHARLES "CHAPPIE" BERTUCCI

CG T-11. advised that he recently learned that one



b6  
b7C  
b7D



CG T-12 advised that he has learned that ARGER

--	--

CG T-1 has advised that ABGER continues to avoid  
close association with [REDACTED]

as much as possible although [redacted]  
[redacted] He believes this is because of  
the fact that Chicago hoodlum GUS ALEX wants no further  
association with [redacted] due to recent publicity linking them  
together in the [redacted]

Chicago T-10 has advised that

The diagram illustrates the physical components of a computer system, organized into three main functional areas:

- Circuitry:** This section contains the **CPU** (Central Processing Unit).
- Memory:** This section contains the **RAM** (Random Access Memory).
- Storage:** This section contains the **HDD** (Hard Disk Drive).

--

b6  
b7C  
b7D

CG T-11 advised he had learned that

Device Type	Percentage of Respondents
Smartphone	95%
Tablet	85%
Feature Phone	75%
Smartwatch	65%

CG 92-1039

STEVE TAMARIS

CG T-12 advised he had recently learned that

[Redacted]

b6  
b7C  
b7D

LEGITIMATE ENTERPRISES

Cosmopolitan Insurance Agency

CG T-1 advised that LOUIS ARGER [Redacted]

b7D

[Redacted] Concerning the Cosmopolitan Insurance Company, he advised that Brunswick Corporation recently placed one of their top men in the Cosmopolitan Insurance Company as Chairman of the Board. He said that GOODWIN KNIGHT, former Governor of California, is also a member of the board.

ILLEGAL ACTIVITIES

CG T-10 advised on April 5, 1962, that ARGER

[Redacted]

CG 92-1039

POLICE PROTECTION AND POLITICAL TIES

CG T-11 advised that he has recently learned from



b7D

PROCESS OUTSTANDING

On May 21, 1962, [redacted]

[redacted] Chicago, Illinois, advised that he had served LOUIS ARGER a subpoena on May 17, 1962. He said that ARGER was subpoenaed to appear before the Senate Committee at Washington, D. C. for hearings which are scheduled to begin on June 5, 1962. [redacted] said he was able to locate and serve ARGER at his residence, 6128 North Keating Avenue, Chicago, Illinois.

b6

b7C

[redacted] also advised that ARGER had indicated to him that he expected to be accompanied to Washington by his attorney. [redacted] According to [redacted] is a former Assistant States Attorney in Cook County.

b6

b7C

TRAVEL

On April 5, 1962, [redacted] of Jil's Bonded Fruit Shippers, 2637 Collins Avenue, Miami Beach, Florida, advised SA ELMER C. MULLEN that he is personally acquainted with the subject and immediately identified the photograph of the subject, which was displayed to him. [redacted] related that the subject was a good customer of his, having sent two champagne baskets of fruit north during his recent stay in Miami Beach. According to [redacted] the subject sent one champagne basket to Mrs. NICK ALEX 9353 South Spaulding Avenue, Evergreen Park, Chicago, Illinois. [redacted] advised that this champagne basket cost \$49.95.

b6

b7C

CG 92-1039

[redacted] also advised that the subject sent a champagne basket of fruit to one [redacted]

b6  
b7C

[redacted] believes to be one of the subject's girl friends. This champagne basket also cost \$49.95. Both baskets were sent on December 24, 1961, according to [redacted]

[redacted] further advised that he knows LOUIS to be a big spender and connected with the rackets in the Chicago area. He said that the subject always pays him with a \$100 bill and is a good customer. [redacted] remarked that the subject once stated to him, "Some guys make their living one way, I make mine another".

b6  
b7C

[redacted] also advised that LOUIS and his wife and two children were at the Atlantis Hotel, which is immediately adjacent to Jil's Fruit Shop. [redacted] was of the opinion that LOUIS and his family were in Miami Beach for approximately two weeks in December, 1961.

b6  
b7C

On April 5, 1962, [redacted] Atlantis Hotel, 27th Street and Collins Avenue, Miami Beach, advised SA ELMER C. MULLEN, after recognizing the photograph of the subject displayed to him, that the subject had registered at the Atlantis Hotel on December 17, 1961. [redacted] stated that the subject's Registration Card #5410 reflected that Rooms 515, 517 and 519 were assigned to the subject and his family, which included six persons.

b6  
b7C

[redacted] was unable to identify the other couple who stayed with the subject, his wife and two children. The two children are a boy and girl, approximately 11 and 13 years of age respectively.

b6  
b7C

[redacted] advised that the subject and his family checked out of the Atlantis Hotel on December 30, 1961, that during their stay at the hotel, on one occasion they threw a rowdy party which caused complaints from the other guests in the hotel. However, the affair was settled amenably and the subject reportedly apologized for causing the disturbance.

b6  
b7C

[redacted] further related that the subject paid his bill in cash, which totaled \$300, and further, that the subject made no long distance telephone calls while a guest at the hotel.

CG 92-1039

On April 18, 1962, [redacted]

[redacted] who is employed as a [redacted]

b6  
b7C

[redacted] advised that he [redacted]  
a fishing boat in Miami waters and that he [redacted]  
[redacted] issued by the U. S. Coast Guard June 9, 1958.  
However, at the present time he only [redacted]  
as a sideline as his main occupation is with the [redacted]  
[redacted]

[redacted] advised that he knows LOUIS ARGER  
as he formerly hired out to ARGER as a yacht captain on  
a fishing boat named "The Little Lady", about five or six  
years ago. [redacted] stated ARGER hired him as a result of an  
ad which [redacted] inserts in the daily paper advertising his  
services as a yacht captain. [redacted] has no personal knowledge  
or information concerning ARGER other than the fact that he  
understands ARGER owns some nightclubs in Chicago. [redacted]  
has not seen ARGER for approximately three years at least  
although he knows ARGER was in the Miami area in December, 1961  
as ARGER called [redacted] residence to invite him to dinner.  
[redacted] was out of town at the time and did not see or talk  
with ARGER.

b6  
b7C

Inquiry of established sources and informants  
have failed to reveal any information regarding the subject's  
presence in Miami or Miami Beach.

#### MISCELLANEOUS

CG T-12 advised that LOUIS ARGER, strip joint operator  
on South State Street, Chicago, [redacted]

b6  
b7C  
b7D

CG 92-1039

[REDACTED]

CG T-1 advised that [REDACTED]

[REDACTED]

b6  
b7C  
b7D

In addition, he advised that [REDACTED]

[REDACTED]

FEDERAL BUREAU OF INVESTIGATION

Date April 10, 1962

[redacted] was interviewed at the Park District's Administration Offices on South Lake Shore Drive. [redacted] stated that he is [redacted]

b6  
b7C

He stated that in this position he personally [redacted]

He stated that in this connection he has become acquainted with FRANK FERRARO, an associate of ALEX. He stated that FRANK FERRARO has a boat moored at Jackson Park Harbor and is a member of the Jackson Park Yacht Club. He said that in this connection he frequently sees FERRARO at the yacht club's dinners and other social gatherings. He stated he does not socialize with FERRARO and has no knowledge of his activities or source of income. In regard to GUS ALEX, [redacted] stated that on one occasion ALEX was pointed out to him, that he did not actually know ALEX. He stated this incident took place about a year ago at [redacted]

[redacted] stated he is a personal friend of [redacted] and gets most of his clothing from [redacted]. He stated that it was not [redacted] who pointed out ALEX to him when he was there, but rather it was a companion of his at the time, whom he cannot recall.

[redacted] stated that he was recently called before the Federal Grand Jury in [redacted]

b3

On 4/6/62 at Chicago, Illinois File # CG 92-373  
by SAs [redacted] and [redacted]  
JOHN W. PARISH, [redacted] Date dictated 4/10/62

b6  
b7C

CG 92-373

[REDACTED]

b3

[REDACTED] stated he is also acquainted with LOUIS ARGER since ARGER formerly had a boat moored at Burnham Harbor. He stated he had heard ARGER is also a friend of GUS ALEX.

b6  
b7C

[REDACTED] stated he recalled ARGER mainly because he is cocky and likes to talk and when [REDACTED] a few years ago, he recalled that ARGER wanted to pay cash for his permit rather than by check or money order which is required.



Date April 16, 1962

[redacted] advised he has only [redacted] for approximately one year. He said he is only casually acquainted with LOUIS ARGER [redacted] resides at 6128 North Kenting Avenue.

b6  
b7C

[redacted] said he is not aware of what ARGER does for a living nor is he acquainted with any of ARGER's associates and/or activities. He said ARGER has never visited in his home and his only contact with ARGER has been an occasional meeting on the street outside their homes. He said he has never engaged in any lengthy discussions with ARGER and at no time has ARGER ever discussed his business affairs with him.

b6  
b7C

[redacted] said he is not aware of any recent trips taken by ARGER and his family. He said he believes ARGER's family consists of ARGER, his wife MARY, [redacted] about [redacted] who is away from home attending some [redacted]

b6  
b7C

He said that according to Mrs. ARGER, LOUIS has been quite ill recently which has resulted in the loss of quite a bit of weight. He said he does not know whether ARGER was hospitalized as a result of this illness but he thinks he may have been.

On 4/6/62 at Chicago, Illinois File # CG 92-1039  
by SAs JOHN W. PARISH and [redacted] Date dictated 4/11/62

b6  
b7C

April 16, 1962

Date

[redacted] advised she is acquainted with LOUIS ARGER and his wife who reside at the corner of Hiawatha Street and Keating Avenue. She said, however, that she is only acquainted with them [redacted] and is unaware of ARGER's activities and associates. She stated that neither ARGER or his wife have ever disclosed anything relating to ARGER's business affairs in her presence.

b6  
b7C

[redacted] stated the ARGERS have resided at their present address for about five years and they have always been friendly [redacted] She said they seem to entertain in their home about the average amount for people in this neighborhood, and she has never noticed any activities which she considered to be unusual.

b6  
b7C

[redacted] said that ARGER has apparently been quite ill recently, however, the nature of his illness was unknown to her. She said she has noticed that ARGER has lost a considerable amount of weight apparently as a result of this illness.

b6  
b7C

[redacted] advised that during the period the ARGERS have lived in this neighborhood he has only been in her home on one occasion. This was during the past few years on the [redacted]

b6  
b7C

[redacted] She said on this occasion ARGER only stayed a few minutes and then excused himself. She added, however, that ARGER's wife has always been more friendly and has visited with her occasionally.

On 4/6/62 at Chicago, Illinois File # CG 92-1039  
by SAs JOHN W. PARISH and [redacted] Date dictated 4/11/62

b6  
b7C

CG 92-1039

CG T-10 advised that ARGER has been extremely



b7D



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to  
File No. 92-1039

Chicago, Illinois  
May 31, 1962

Reference report of Special Agent John W. Parish  
dated and captioned, May 31, 1962, LOUIS ARGER.

CHARACTERIZATION OF INFORMANTS

[Redacted box]

b7D

Chicago T-13 is

[Redacted box]

[Redacted box]

## FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE <b>CHICAGO</b>	OFFICE OF ORIGIN <b>CHICAGO</b>	DATE <b>7/27/62</b>	INVESTIGATIVE PERIOD <b>5/22 - 7/23/62</b>
TITLE OF CASE <b>LOUIS ARGER, aka.</b>		REPORT MADE BY <b>SA JOHN W. PARISH</b>	TYPED BY <div style="border: 1px solid black; width: 40px; height: 20px;"></div> b6 b7C
		CHARACTER OF CASE  <b>ANTI-RACKETEERING</b>	

REFERENCE: Report of SA JOHN W. PARISH dated 5/21/62, at Chicago.

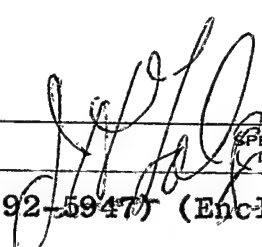
- P -

ENCLOSURES

TO BUREAU

Two (2) copies of a letterhead memorandum setting forth characterization of informants utilized in this report.

COVER PAGE

APPROVED 	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE: 3 - Bureau (92-5947) (Encls- 2) 1 - USA, Chicago 2 - Chicago (92-1039)		92-5947-6	REC- 35
		AUG 3 1962	
DISSEMINATION RECORD OF ATTACHED REPORT		NOTATIONS	
AGENCY	REQUEST RECD.	DATE FWD.	HOW FWD.
BY			

STAT. SECT.

1-1241

CG 92-1039

LEADS

CHICAGO

AT CHICAGO, ILLINOIS. Will continue to conduct and report investigation concerning background, associates, and activities of LOUIS ARGER.

ADMINISTRATIVE

Inasmuch as [redacted]  
[redacted]

b7D

INFORMANTS

CG T1, T10, T11, and T12, and [redacted] contacted by SAs JOSEPH G. SHEA and WILLIAM A. MEINCKE on various dates from April 27, 1962, to July 18, 1962.

b7D

CG T14 is PCI [redacted] contacted by SA JOHN W. PARISH on July 16, 1962.

b6  
b7C  
b7D

CG T15 is [redacted]  
Chicago, Illinois, contacted on June 29, 1962, by IC [redacted]

b6  
b7C  
b7D

CG T16 is [redacted] contacted by SA [redacted]  
[redacted] on June 4, 1962.

- B\* -

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UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago

Report of: SA JOHN W. PARISH Office: Chicago, Illinois  
Date: July 27, 1962

Field Office File No.: 92-1039 Bureau File No.: 92-5947

Title: LOUIS ARGER

Character: ANTI-RACKETEERING

## Synopsis:

ARGER continues to reside at 6128 North Keating Avenue, Chicago, Illinois. Information concerning associates of ARGER set out. Background information concerning Cosmopolitan Insurance Company set out. Star & Garter Lounge closed down temporarily due to "heat" caused by the recent Congressional hearing. Information received that ARGER has two boats docked in Lake Michigan at Chicago; however, efforts to locate negative.

- D -

CG 92-1039

DETAILS:

BACKGROUND

Residence

Investigation during this period revealed that ARGER continues to maintain his residence at 6128 North Keating Avenue, Chicago, Illinois.

On June 27, 1962, a 1959 Chevrolet pickup, which appeared to contain building equipment, was observed parked at ARGER's home. This vehicle bore 1962 Illinois license [REDACTED]. A check of 1962 auto registrations for the State of Illinois revealed that this vehicle is registered to one [REDACTED]

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ASSOCIATES

GUS ALEX

On June 4, 1962, CG T16 advised that LOUIS ARGER is a representative of Chicago hoodlum GUS ALEX in the Club Rouge, a strip joint located in the Chicago area. He

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CHAPPIE BERTUCCI

CG T1 advised that CHAPPIE BERTUCCI, part owner of the Chez Parisian, a strip joint located on South Wabash Avenue, Chicago, is in trouble with LOUIS ARGER because

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CG 92-1039

[REDACTED]

CG T10 has advised that [REDACTED] of Chicago hoodlum "MILWAUKEE PHIL" ALDERISIO, is a good friend and associate of LOUIS ARGER.

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[REDACTED]

CG T11 has advised that ARGER has been having regular

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[REDACTED]  
He advised that ARGER has been extremely worried about the FBI making inquiry concerning him and his activities and he speculates that ARGER is discussing his business activities with [REDACTED] CG T11 advised that [REDACTED] attended school with ARGER when they were youngsters.

[REDACTED]

CG T12 advised that on June 5, 1962, ARGER related that he had been contacted by DOMINIC SENISE who told him to "lay off" [REDACTED] ARGER reportedly told SENISE that he would see about it, and also told SENISE that [REDACTED]

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[REDACTED]  
[REDACTED] ARGER also related that the fact that [REDACTED]

[REDACTED]  
[REDACTED] ARGER is also reported to have stated that [REDACTED], are also dissatisfied with [REDACTED] and will have nothing more to do with him.

CG T14 advised that [REDACTED] has been unable to obtain mooring space for his boat. [REDACTED]  
[REDACTED] He said that this boat is currently moored at [REDACTED]  
He said the harbor master had gone to [REDACTED]  
[REDACTED] get a warrant for [REDACTED] and have him arrested, but [REDACTED] did not go along with this and told the harbor master to tell [REDACTED] to leave and just forget about it.

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CG 92-1039

He said [ ] has refused [ ] mooring space because he feels [ ]

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[ ]  
[ ]  
CG T1 advised that one [ ] had recently been to see ARGER and indicated that he wanted some money because he felt that ARGER had made money as a result of being placed in contact with [ ] by [ ] He said ARGER refused to give [ ] anything and threw him out of the strip joint in which ARGER was at the time.

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LEGITIMATE ENTERPRISES

Cosmopolitan Insurance Company

CG T10 advised that on June 4, 1962, the fact that [ ]

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With reference to [ ] CG T10 advised that he learned that on June 6, 1962, [ ]

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[ ]  
[ ] He said he also ascertained that the [ ]

CG 92-1039

CG T10 advised that [ ] is almost dead broke and has not paid the rent on his home for the past two months. He also advised that ALDERISIO has not given [ ] a penny since ALDERISIO found [ ] was cheating on his wife who is ALDERISIO's [ ]

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CG T15 on June 29, 1962, made available the following information concerning [ ]

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CG 92-1039

Keys Night Club

CG T16 has advised that he recently learned that ARGER is reportedly a part owner of the Keys Night Club which is located on the near north side of Chicago.

Star and Garter Lounge

CG T11 advised on June 21, 1962, that he had recently learned from HARRY MARCUS that the Star and Garter Lounge was ordered closed down by Alderman JOHN D'ARCO of Chicago's first ward, due to the "heat" caused by the recent Congressional hearing in connection with the American Guild of Variety Artists. He said according to MARCUS, who manages the Star and Garter Lounge for ARGER, the Lounge will reopen when the "heat is off."

HANGOUTS AND PLACES FREQUENTED

CG T10 advised that ARGER hangs out most frequently at the Crossroads Restaurant located at State and Van Buren Streets in the Chicago area. He said that messages are frequently left for ARGER and that he checks in periodically to pick up these messages. He said, however, that ARGER will not make telephone calls from the Crossroads Restaurant, but will make them from booths located throughout the Loop area of Chicago.

In this connection, CG T12 also advised that ARGER occasionally gets together with some of his friends at Johnny's Steak House, Wabash and Congress Streets in Chicago, and also at the Chez Parisian Lounge on the South Wabash Street, which is reportedly owned in part by ARGER.

MISCELLANEOUS

CG T1 advised that to his knowledge ARGER has two boats docked in Lake Michigan at the present time. He said one of them is the "Mary I" which is probably registered under the name of the National Maintenance Corporation, and another boat for his children, [redacted] [redacted] which boat would be docked next to ARGER's

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CG 92-1089

"Mary I." He stated that in his opinion, ARGER had obtained preferred dock space from [redacted] who has charge of such designations.

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CG T14 advised he has been unable to locate any information which would indicate that ARGER has his boats docked in any of the Chicago Harbor area, either under his own name or that of the National Maintenance Corporation as he had done in previous years. He said it is quite possible that ARGER could have obtained mooring space through [redacted]

[redacted] and no record was made of the transaction.

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UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois  
July 27, 1962

In Reply, Please Refer to  
File No. 92-1039


Title LOUIS ARGER

Character ANTI-RACKETEERING

Reference Report of Special Agent JOHN W.  
PARISH dated and captioned as above

All sources (except any listed below) whose identities are concealed in referenced communication have furnished reliable information in the past.

## FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE <b>CHICAGO</b>	OFFICE OF ORIGIN <b>CHICAGO</b>	DATE <b>9/26/62</b>	INVESTIGATIVE PERIOD <b>7/24 - 9/19/62</b>
TITLE OF CASE  <b>LOUIS ARGER, aka</b>		REPORT MADE BY <b>JOHN W. PARISH</b>	TYPED BY 
		CHARACTER OF CASE  <b>AR</b>	

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REFERENCE: Report of SA JOHN W. PARISH dated 7/27/62 at Chicago.

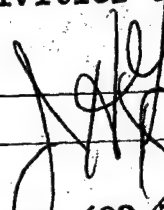
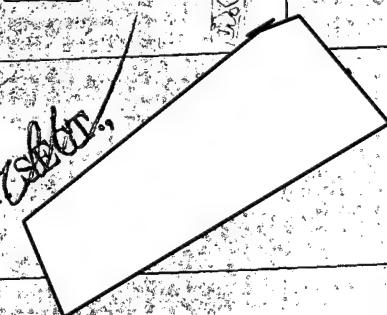
- P -

ENCLOSURESTO BUREAU

Enclosed herewith are two (2) copies of a letterhead memorandum, setting forth a characterization of informants utilized in this report.

LEADCHICAGO

AT CHICAGO, ILLINOIS. Continue to conduct and report investigation concerning the background, associates and activities of LOUIS ARGER.

APPROVED 	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE:		92-5794-7	REC-25
3 - Bureau (92-5794) (Encl-2)			
1 - USA, Chicago			
2 - Chicago (92-1039)			
		SEP 27 1962	
DISSEMINATION RECORD OF ATTACHED REPORT		NOTATIONS	
AGENCY	10/4/62		
REQUEST RECD.	2-6		
DATE FWD.	8/9/62		
HOW FWD.	1-15-31		
BY			

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ADMINISTRATIVE

Inasmuch as [REDACTED]

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INFORMANTS

[REDACTED]  
who was contacted on various dates from July 23, 1962, to  
September 19, 1962, by SAs WILLIAM A. MEINCKE and JOSEPH G.  
SHEA.

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CG T-14 is PCI [REDACTED] contacted by  
SA JOHN W. PARISH, on August 23, 1962.

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CG T-17 is PCI [REDACTED] contacted by SA WILLIAM  
R. BRODERICK, on July 25, 1962.



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago

Report of: SA JOHN V. PARISH  
Date: 9/26/62

Office: Chicago

Field Office File No.: 92-1039

Bureau File No.: 92-5794

Title:  
LOUIS ARGER

Character: ANTI - RACKETEERING

Synopsis: ARGER and family continue to reside at 6128 North Keating Avenue, Chicago, Illinois. He also continues operation of strip joints and arcades on South State Street, in Chicago's Loop area. ARGER reportedly quite ill and hospitalized for several days recently. [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED] Information regarding activities of ARGER set out.

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- P -

DETAILS:

BACKGROUND

Residence

Investigation has revealed that ARGER and his family continue to reside at 6128 North Keating Avenue, Chicago, Illinois.

Status of Health

CG T-1 has advised that he recently learned that LOUIS ARGER has been quite ill recently and had, in fact, been hospitalized for several days. He was unable, however, to determine the exact nature of ARGER's illness or the hospital in which ARGER was confined. He said he believed

[REDACTED]

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A review of the telephone directory for the Chicago Metropolitan Area revealed a listing for one [REDACTED], who maintains offices at [REDACTED] in Chicago. On September 19, 1962, an attempt was made to contact [REDACTED] concerning ARGER's physical condition; however, [REDACTED] was unavailable for interview on this date.

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Financial Information

[REDACTED]

[REDACTED]

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[REDACTED] CG T-10

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CG T-11 advised that ARGER's associate, [REDACTED]

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[REDACTED] CG T-11 advised

he has known [REDACTED]

CG T-12 advised that he has never known ARGER to [REDACTED]

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ASSOCIATES

CHAPPIE BERTUCCI

CG T-1 advised that CHAPPIE BERTUCCI, a close associate of ARGER's, has recently purchased a new Cadillac automobile. He said this automobile can generally be seen during the early morning hours, parked in the vicinity of the Terminal Restaurant on Chicago's near South Side. He said this is due to the fact that BERTUCCI is usually visiting at this time with his girl friend, who resides in this vicinity and by whom BERTUCCI has an illegitimate child.

[REDACTED]  
CG T-10 advised he had recently learned that [REDACTED] had, during the early part of August, 1962,

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thrown one (FNU) [redacted] out of the Sands Motel in Chicago.  
He said [redacted]

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[redacted] CG T-10 also advised that [redacted]  
[redacted] had attended a party in the ARGER home, on July 31,  
1962, which was for ARGER's [redacted] on his birthday.  
He said that at least 40 people were reported to be in  
attendance at this party in ARGER's home. CG T-10 also

[redacted]

[redacted]

CG T-11 has advised that [redacted] continues to  
be closely associated with LOUIS ARGER, in connection with  
the operation of ARGER's strip joints and arcades on South  
State Street, in Chicago, as well as taking care of ARGER's  
personal finances.

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#### ACTIVITIES OF ARGER

On July 25, 1962, CG T-17 advised that LOUIS  
ARGER, who is known to him as LOUIE ARGO, is alleged to be  
somewhat of a big wheel in connection with the operation  
of various arcades along South State Street, in the Chicago  
Loop.

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[redacted]

CG T-17 further advised that [REDACTED]

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[REDACTED]  
CG T-17 said that ARGER replied [REDACTED]

[REDACTED] however,  
he did not further explain this comment. CG T-17 advised  
[REDACTED]

On September 8, 9, and 10, 1962, ARGER's automobile was observed parked in the 400 block on South State Street, Chicago. It is noted that this is the location of the Holliday Lounge, Star and Garter Lounge and Paradise Arcade, all reportedly ARGER enterprises. It is further noted that the Crossroads Restaurant, where ARGER is reported to frequently meet with various associates and also to receive telephone messages, is also located in this vicinity. ARGER was not observed, however, to be present in the public portions of these establishments on the above dates.

CG T-14 has advised that he has been unable to locate ARGER's boat, "Mary I", at any of the Chicago area harbors during this season. He said that although he had frequently observed ARGER in the vicinity of Burnham Harbor in Chicago, during the past years, he has not seen ARGER in this vicinity during this yachting season.



In Reply, Please Refer to  
File No. 92-1039

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION  
Chicago, Illinois  
September 26, 1962

Title

LOUIS ARGER

Character

ANTI - RACKETEERING

Reference

Reference is made to the  
report of Special Agent John W. Parish, dated and captioned  
as above.

All sources (except any listed below) whose identities  
are concealed in referenced communication have furnished reliable  
information in the past.



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois  
September 26, 1962

In Reply, Please Refer to  
File No. 92-1039

LOUIS ARGER  
ANTI - RACKETEERING

Reference is made to report of Special Agent John W. Parish, dated and captioned as above.

CHARACTERIZATION OF INFORMANTS

[redacted] is an individual who is well acquainted with numerous individuals in the hoodlum element in Chicago. He has been able to furnish information relating to Louis Arger because of this acquaintanceship. b7D

CG T-14 is an individual who, because of his employment, is acquainted with various individuals of the hoodlum element in Chicago, who frequent Chicago's harbor areas. He has been able to furnish information regarding Arger from time to time.

CG T-17 is an individual who has been able to furnish information concerning Arger, in view of [redacted]  
[redacted]

This document contains neither recommendations nor conclusions of the Federal Bureau of Investigation. It is the property of the Federal Bureau of Investigation and is loaned to your agency; it and its contents are not to be distributed outside your agency.

## FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE <b>CHICAGO</b>	OFFICE OF ORIGIN <b>CHICAGO</b>	DATE <b>11/9/62</b>	INVESTIGATIVE PERIOD <b>9/20 - 11/6/62</b>
TITLE OF CASE <b>LOUIS ARGER, aka</b>		REPORT MADE BY <b>JOHN W. PARISH</b>	TYPED BY <div style="border: 1px solid black; width: 50px; height: 20px;"></div> b6 b7C
		CHARACTER OF CASE  <b>AR</b>	

REFERENCE: Report of SA JOHN W. PARISH dated 9/26/62 at Chicago.

- P -

ENCLOSURES

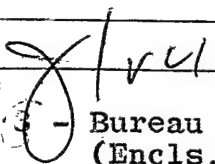
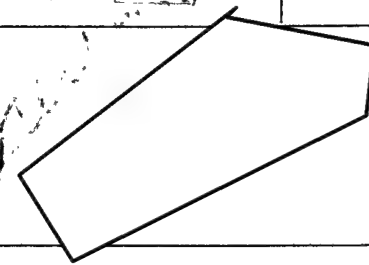
TO BUREAU

Two (2) copies of a letterhead memorandum which sets forth a characterization of informants utilized in this report.

LEAD

CHICAGO

AT CHICAGO, ILLINOIS. Will continue to conduct and report investigation concerning the background, associates and activities of LOUIS ARGER.

APPROVED 	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE: 3 - Bureau (92-5794) (Encls. 2) 1 - USA, Chicago 2 - Chicago (92-1039)		42-5794-8	REC- 30
NOV 19 1962 93-		12 NOV 1962 	
DISSEMINATION RECORD OF ATTACHED REPORT		NOTATIONS	
AGENCY.....			
REQUEST RECD.....			
DATE FWD.....	11/21/62		
HOW FWD.....	56		
BY.....	946		

1-1531



CG 92-1039

ADMINISTRATIVE

Inasmuch as [REDACTED]

b7D

INFORMANTS

[REDACTED]  
who was contacted on various dates during the period by  
SA JOSEPH G. SHEA and WILLIAM A. MEINCKE.

b7D

- B\* -  
COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago

Report of: SA JOHN W. PARISH  
Date: November 9, 1962

Office: Chicago, Illinois

Field Office File No.: 92-1039

Bureau File No.: 92-5794

Title: LOUIS ARGER

Character: ANTI-RACKETEERING

Synopsis: ARGER continues to reside at 6128 North Keating Avenue, Chicago, Illinois, and continues in operation of strip joints and arcades on South State Street in the Chicago Loop area. ARGER was recently in Wesley Memorial Hospital, Chicago, with a "serious heart condition". Information concerning associates of ARGER set out. HARRY MARCUS, former part-owner of Star and Garter Lounge with ARGER, recently sold out his interest and intends to work for the Cosmopolitan Insurance Company in the Los Angeles and Beverly Hills, California, area.

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CG 92-1039

DETAILS:

BACKGROUND

Residence

Investigation during the period reveals that ARGER continues to reside with his family at 6128 North Keating Avenue, Chicago, Illinois.

On September 20, 1962, CG T-1 advised that LOUIS ARGER is presently trying to sell his home and if successful, he intends to move to an apartment on Lake Shore Drive in Chicago. He was unable to furnish any specific information as to the exact location on Lake Shore Drive in which ARGER would be interested in obtaining an apartment.

Status of Health

[redacted] Wesley Memorial Hospital, Chicago, Illinois, advised on October 17, 1962, that the subject had been a patient in that hospital from August 21, 1962, to September 7, 1962, with a "serious heart condition". [redacted] also advised that her records reflect that the subject, while in the hospital, had a heart catheterization and that he has a rheumatic heart with a narrowing of the valves. She said her records also reflected that the subject is a diabetic and is also suffering from hepatitis. She said that according to her records ARGER gave his name on entrance to the hospital as LOUIS JAMES ARGER, 6128 North Keating Avenue, Chicago, Illinois. He listed his employment as a mechanic at the Paradise Amusement Center, Chicago, Illinois, and stated he had been so employed for approximately 14 years. His wife was listed as MARION ARGER. He gave his home telephone number as PE 6-2709 and his business telephone as WE 9-8897. She said the total bill for ARGER while a patient at the hospital was \$1,076.12 and that he had paid \$951.12 of this amount upon leaving. [redacted] said that ARGER's attending physician at the hospital was [redacted] who maintains an office in suite [redacted] the hospital. She further advised that records indicate ARGER was previously a patient in American Hospital, Chicago, Illinois, and that the attending physician at that time was [redacted]

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CG 92-1039

On October 17, 1962, an attempt was made to contact [redacted] Wesley Memorial Hospital, Chicago, Illinois. It was ascertained that [redacted] was out of the country and was not expected to return to his office until sometime in November, 1962.

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ASSOCIATES

[redacted]

CG T-10 recently advised that he had heard that [redacted] an associate of the subjects had been unable to buy into a motel business as he had previously intended and that [redacted] was presently looking for a first class night club on the Northwest side of Chicago in which to invest. He said that he had learned that [redacted] is bickering with a Dr. ALLEGRETTI for the purchase of a club called the Quid which recently went broke.

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[redacted]

Information has previously been received that [redacted] who is engaged in the operation of amusement arcades, was closely associated in this connection with the subject.

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## FEDERAL BUREAU OF INVESTIGATION

Date 10/27/62

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[redacted] was contacted at the [redacted]  
[redacted] He advised that  
he resides at [redacted]  
stated that [redacted]  
[redacted] which  
was just recently opened at [redacted] He  
said that he [redacted]  
[redacted]

Concerning LOUIS ARGER, he advised that he has known ARGER to be in business on South State Street for many years. He denied that ARGER and himself have any business connection whatsoever. In this connection, [redacted] advised that he had read in the papers and had heard there were rumors on South State Street that he and ARGER were in business, but he claimed that this is untrue.

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[redacted] stated that he did not know which of the arcades and strip joints ARGER is connected with on South State Street. He said that although he sees ARGER occasionally on the street and talks with him, ARGER has never discussed his business affairs. He said that they actually have very little to do with each other.

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In connection with the [redacted]  
[redacted] advised that [redacted] is always the person they contact if they need to borrow parts for their machines. He said he did not know whether [redacted] owned this arcade or whether he operated it for someone else. He said he did not know whether ARGER had an interest in the Super Arcade although he might have.

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[redacted] stated that he had never made payments to members of the Chicago Police Department or any member of the city government to obtain favors in connection with the operation of these arcades.

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On 10/18/62 at Chicago, Illinois File # CG 92-373  
CG 92-1039

SAs JOHN W. PARISH and  
by [redacted] Date dictated 10/25/62

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CG 92-373

CG 92-1039

[redacted] said he only knew of GUS ALEX through newspaper publicity and had never met him personally. He stated that he had never had to clear through ALEX or anyone else to operate his arcades nor had he ever had to turn over a portion of the profits to anyone for the privilege of operating his arcades on South State Street, Chicago.

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Date 10/30/621

[redacted] advised that this arcade, as well as the [redacted] are owned and operated by [redacted]. He said that to his knowledge [redacted] are the only owners of these arcades.

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[redacted] said that he knows LOUIS ARGER and used to see him quite often on South State Street, Chicago. He said he has not seen ARGER for sometime now, and he has heard that ARGER had been quite ill and was in the hospital recently. He said that he had never seen or heard anything which would indicate to him that ARGER had any connection with the operation or ownership of the [redacted] arcades. He said that he had heard that ARGER had some connection with some of the arcades and strip joints on South State Street, but he claimed he had no idea which ones. He stated that although ARGER has always been friendly, he has never discussed his business affairs in his presence.

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On 10/18/62 Chicago, Illinois File # CG 92-1039  
by SAs JOHN W. PARISH and [redacted] Date dictated 10/25/62

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Date 10/27/621

[redacted]  
[redacted]  
advised that he has only been employed here for three or four days. He said that he is not one of the owners of the business; however, the business is owned by his [redacted]

He said that [redacted] also own the [redacted]  
[redacted]

[redacted] said that he has never worked on South State Street before and is not acquainted with other individuals in the area. He said that he is not acquainted with LOUIS ARGER and knows nothing of ARGER's business affairs.

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On 10/18/62 Chicago, Illinois File # CG 92-1039  
by SAs JOHN W. PARISH and [redacted] Date dictated 10/24/62

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CG 92-1039

On October 30, 1962, Officer [redacted] [redacted] Chicago Police Department, advised that he had heard rumors that [redacted] was connected with the subject in the operation of strip joints and arcades on South State Street in Chicago. He said, however, that to date, he has been unable to develop any information which would substantiate these rumors. He further advised that he is presently conducting an investigation concerning [redacted] in an effort to ascertain whether [redacted] may be associated with the subject.

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[redacted]  
CG T-11 advised he had recently learned that

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LEGITIMATE ENTERPRISES

CG T-12 advised on September 20, 1962, that the subject was recently discharged from the hospital and is currently engaged in the operation the Star and Garter Lounge in the 400 block of South State Street, Chicago.

On October 4, 1962, CG T-1 advised that ARGER had recently made the statement that [redacted]

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CG T-10 advised on October 16, 1962, that he had obtained the following information concerning the Star and Garter Lounge and the Holiday Lounge located on South State Street in Chicago:

HARRY MARCUS, is the manager of the Star and Garter Strip Joint located on South State Street. [redacted]

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CG 92-1039

[redacted]  
[redacted]  
[redacted] who is now  
[redacted] He in-  
dicated that [redacted]  
[redacted] where he resides  
[redacted]  
[redacted] at the Star and Garter strip joint. He stated  
that [redacted] and was

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He further advised that one CHAPPIE BERTUCCI and his brother, associates of LOUIS ARGER, are presently operating a "bust out" and prostitution den called the Studio at 50 East Oak Street, Chicago.

MISCELLANEOUS

CG T-11 advised he had recently learned that the subject and other "outfit" people have been told to promote customers for Dominick's Markets generally located in the suburbs and which are reportedly partly owned by Chicago hoodlums TONY ACCARDO and JACK CERONE.

On October 12, 1962, CG T-12 advised that he had recently learned that the subject lost his slip at Burnham Boat Harbor because [redacted]

[redacted] an associate of the subject, did not pay for the two slips listed by ARGER and they were lost. He said that ARGER had an agreement with [redacted] said that he had forgotten to pay for the slips and then went to [redacted]

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CG 92-1039

of the Chicago Park District and paid him \$500 after which he regained the two slips at Burnham Harbor.

Information has previously been received that the subject was in partnership with Chicago hoodlums CUS ALEX and [REDACTED] in ownership of property located at [REDACTED]  
[REDACTED]

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Date 10/27/621

[redacted]  
[redacted] advised that he is the sole owner of the tavern on the first floor at this address.

[redacted], of [redacted]. He said that one [redacted] was originally a partner of [redacted] in the ownership of the building, but [redacted] went to Florida about a year ago and [redacted] bought his share of the property.

[redacted] said that he does not know GUS ALEX and to his knowledge ALEX has never been in his place of business. He said that he had met LOUIS ARGER about two and one-half years ago. He said on this occasion ARGER was in the company of [redacted] had introduced them. He said that this was the only time he had ever seen ARGER, and he knew nothing of ARGER's activities. He said that he had never heard anything which would indicate that ARGER and/or ALEX were partners of [redacted] in this building, and he believed [redacted] to be the [redacted] of the property at [redacted]

On 10/19/62 at Chicago, Illinois File # CG 92-373  
CG 92-1039

SAs JOHN W. PARISH and  
by [redacted] Date dictated 10/25/62



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois  
November 9, 1962

In Reply, Please Refer to  
File No. 92-1039

Title            LOUIS ARGER

Character       ANTI-RACKETEERING

Reference       Report of Special Agent John W. Parish  
dated and captioned as above at Chicago,  
Illinois.

All sources (except any listed below) used in referenced  
communication have furnished reliable information in the past.



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois

November 9, 1962

In Reply, Please Refer to  
File No. 92-1039

LOUIS ARGER  
ANTI-RACKETEERING

CHARACTERIZATION OF INFORMANTS

[REDACTED] is an individual who is well acquainted with numerous individuals in the hoodlum element in Chicago and he has been able to furnish information relating to Louis Arger because of this acquaintanceship.

b7D

This document contains neither recommendations nor conclusions of the Federal Bureau of Investigation. It is the property of the Federal Bureau of Investigation and is loaned to your agency; it and its contents are not to be distributed outside your agency.

## FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE <b>CHICAGO</b>	OFFICE OF ORIGIN <b>CHICAGO</b>	DATE <b>12/31/62</b>	INVESTIGATIVE PERIOD <b>11/7-12/19/62</b>
TITLE OF CASE <b>LOUIS ARGER, aka</b>		REPORT MADE BY <b>SA JOHN W. PARISH</b>	TYPED BY <div style="border: 1px solid black; width: 40px; height: 20px;"></div> b6 b7C
		CHARACTER OF CASE <b>AR</b>	

REFERENCE: Report of SA JOHN W. PARISH dated 11/9/62 at Chicago.

- P -

ENCLOSURES

TO BUREAU

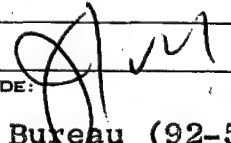
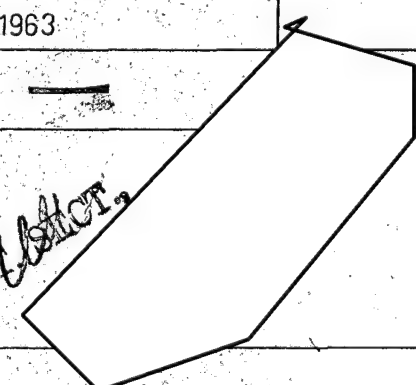
Two (2) copies of letterhead memorandums setting forth characterization of informants utilized in this report.

LEAD

CHICAGO

AT CHICAGO, ILLINOIS. Will continue to conduct and report investigation concerning the background, associates, and activities of ARGER.

COVER PAGE

APPROVED 	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE: ③ - Bureau (92-5794) <del>(Enc. 2)</del> 1 - USA, Chicago 2 - Chicago (92-1039) SPECIAL INVESTIGATIVE BRANCH		92-5794-9	REC-21
		5 JAN 2 1963	
DISSEMINATION RECORD OF ATTACHED REPORT		NOTATIONS	
AGENCY.....	1/1/63		
REQUEST RECD.	1/1/63		
DATE FWD.	1/1/63		
HOW FWD.	1/1/63		
BY.....	1/1/63		

CG 92-1039

ADMINISTRATIVE

Inasmuch as [REDACTED]

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INFORMANTS

[REDACTED]  
[REDACTED] was contacted on various dates during the period by  
SAs JOSEPH G. SHEA and WILLIAM A. MEINCKE.

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- B\* -

COVER PAGE



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago

Report of: SA JOHN W. PARISH  
Date: 12/31/62

Office: Chicago, Illinois

Field Office File No.: 92-1039

Bureau File No.: 92-5794

Title: LOUIS ARGER

Character: ANTI-RACKETEERING

## Synopsis:

ARGER continues to reside at 6128 North Keating Avenue, Chicago, Illinois. [REDACTED] advised ARGER has a rheumatic heart, suffers from virus hepatitis, is a diabetic, and has severe attacks of cardiac asthma. ARGER and wife [REDACTED]

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ARGER continues in operation of arcades and strip joints on South State Street, Chicago. Recent attempts to interview ARGER negative.

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- P -

CG 92-1039

DETAILS:

BACKGROUND

Residence: Investigation during the period revealed that ARGER continues to reside with his family at 6128 North Keating Avenue in Chicago, Illinois.

Status of health: On December 7, 1962, [redacted]

[redacted] He stated that his records reflect that ARGER has a very bad rheumatic heart, and, in addition, he suffers from a virus hepatitis. He said that, in addition, ARGER is also a diabetic, and that he occasionally has severe attacks of cardiac asthma. He said that extreme excitement could seriously injure ARGER's health. He added that in previous years, ARGER was an extremely heavy drinker; however, recently, due to [redacted] advice, ARGER has advised him that he very seldom drinks any alcoholic beverages whatsoever.

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ASSOCIATES

CHAPPIE BERTUCCI: On November 23, 1962, CG T-10 advised that CHAPPIE BERTUCCI, formerly associated with ARGER in the ownership of the Chez Parisian, a strip joint on Wabash Avenue, and, more recently, the 51st Street Club, in Chicago, has eleven trucks which he rents to the City of Chicago through his brother, who owns a trucking company on the southside of Chicago known as Bertucci Brothers. He also advised that BERTUCCI recently loaned TONY TORNABENE, operator of Eddy Foy's Club, located on Wabash Avenue, some money which TORNABENE used with [redacted] who formerly

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[redacted]  
Chicago. He said he learned that [redacted] TORNABENE are opening a theater on Stoney Island Avenue, which will be known as "The Stoney". He said that this is a moving picture theater which has been closed for some time and which they are reopening at a cost of \$350.00 per month, including equipment, fixtures, and rent.

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ACTIVITIES OF LOUIS ARGER

CG T-11 recently advised that information had come to his attention which indicated that ARGER is building a new burlesque theater which will be located next door to the Star and Garter Club at 430 South State Street. He said CORNELIUS PITT will probably be the contractor for the new building, which will cost approximately \$150,000 to build. He said that rumor on South State Street indicates that ARGER could do approximately \$200,000 a year in business in the new burlesque house without trying. CG T-11 also advised that, from information coming to his attention, he is of the opinion that the following properties, located in or near the Loop area in Chicago, are owned by ARGER and fronted for him by other individuals:

Super Arcade [redacted] name

Holiday Lounge [redacted] name

New Burlesque Theater [redacted] name

Paradise Arcade [redacted] name

Star and Garter owned in HARRY MARCUS' and [redacted] names

Arcade located next to Crossroads [redacted]  
[redacted] s name

Chez Parisian located on Wabash and 7th Streets, owned by [redacted]

[redacted] represents ARGER's ownership in this club. He stated that [redacted] recently bought the interest of CHAPPIE BERTUCCI for \$20,000 and that [redacted] ownership of this club is 15%.

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CG 92-1039

On November 30, 1962, CG T-12 advised he had heard that LOUIS ARGER had invested some \$60,000 in the ownership of the Trans-American Construction Company. He said, according to rumor, this investment is strictly against the desires of Chicago hoodlum GUS ALEX, who warned ARGER not to get involved with [redacted] one of [redacted] of the Trans-American Construction Company.

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On December 12, 1962, [redacted] Bert Peck Theatrical Agency, 162 North State Street, Chicago, advised that this agency has no exotic dancers booked at the Holiday Show Lounge or at the Star and Garter Club in Chicago at this time. In this connection, she advised that she is usually contacted by [redacted], HARRY MARCUS, and [redacted] (LNU), when they decide to have dancers for these locations. She said that [redacted] is their contact for the Holiday Lounge; MARCUS, for the Star and Garter. She stated that she has never been contacted by LOUIS ARGER for burlesque dancers for either of these places and she is not aware of the ownership of these clubs.

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## FEDERAL BUREAU OF INVESTIGATION

December 19, 1962

Date

1

[ ] was interviewed at the Crossroads Restaurant, Van Buren and State Streets, and advised that he and [ ] are still [ ] of Rialto Corporation which operates the Crossroads Restaurant. He stated that there are [ ]

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[ ] stated that he has never been muscled by anyone to allow his business to be operated as a strip joint and that he never had to pay any money to anyone in connection with the operation of his business. He stated that he has heard of GUS ALEX but claims that he does not know him and that ALEX never comes in the restaurant. [ ] stated that he is acquainted with LOUIS ARGER who comes in the restaurant occasionally. He stated that it is his understanding, but he does not know for sure, that LOUIS ARGER runs the Star and Garter and the Holiday Lounge, both located on South State Street.

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[ ] stated that RALPH PIERCE still frequents the restaurant occasionally and that recently PIERCE told him "that they have about four guys on me all the time". When asked to elaborate on this statement, [ ] stated that he presumed that PIERCE meant he was being surveyed constantly by Government Agents.

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[ ] concluded by saying that he did not recall at any time to have received orders from anyone to close down the strip operation in connection with his business.

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On 12/6/62 at Chicago, Illinois File # CG 92-373

SAs JOHN W. PARISH  
by and [ ] Date dictated 12/13/62

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CG 92-1039

ATTEMPTS TO INTERVIEW ARGER

On December 6, 1962, inquiry was made at the Star and Garter Lounge, 426 South State Street, Chicago in an effort to locate LOUIS ARGER for interview. [redacted]

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[redacted] at the Star and Garter, advised he was not acquainted with LOUIS ARGER and said that one MAX GROSS managed this club and was considered by him to be the owner. He was requested to have ARGER or GROSS contact SA PARISH at the Chicago Office of the FBI.

Also on December 6, 1962, inquiry was made of [redacted] at the Holiday Show Lounge, 432 South State Street, Chicago, Illinois, in an effort to locate ARGER for interview. [redacted] advised that ARGER had not been around the club for quite some time, due to illness, and that the club was presently being [redacted] by one [redacted]. A message was also left with [redacted] requesting that ARGER and/or [redacted] contact SA PARISH at the Chicago Office of the FBI.

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On December 10, 1962, [redacted] telephonically contacted SA PARISH at the Chicago Office of the FBI and advised him that he had been retained as legal counsel for MAX GROSS, [redacted] and LOUIS ARGER. He further advised that GROSS, [redacted] and ARGER had advised him of SA PARISH's efforts to contact them and they stated that they had nothing whatsoever to say to the FBI.

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UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois  
December 28, 1962

In Reply, Please Refer to  
File No.

92-1039

Title        LOUIS ARGER

Character    ANTI-RACKETEERING

Reference    Report of Special Agent John W.  
              Parish dated and captioned as  
              above.

All sources (except any listed below) whose identities are concealed in referenced communication have furnished reliable information in the past.



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to  
File No.

Chicago, Illinois  
December 28, 1962

92-1039

LOUIS ARGER  
ANTI-RACKETEERING

Report of Special Agent John W. Parish dated and captioned as above.

CHARACTERIZATION OF INFORMANTS

[REDACTED] is an individual who is well acquainted with numerous individuals in the hoodlum element in Chicago and he has been able to furnish information relating to Louis Arger because of this acquaintanceship.

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This document contains neither recommendations nor conclusions of the Federal Bureau of Investigation. It is the property of the Federal Bureau of Investigation and is loaned to your agency; it and its contents are not to be distributed outside your agency.



## FEDERAL BUREAU OF INVESTIGATION

Reporting Office <b>CHICAGO</b>	Office of Origin <b>CHICAGO</b>	Date <b>2/20/63</b>	Investigative Period <b>12/28/62-2/14/63</b>
TITLE OF CASE <b>LOUIS ARGER, aka</b>		Report made by <b>SA JOHN W. PARISH</b>	Typed By: b6 b7C
		CHARACTER OF CASE  <b>AR</b>	

REFERENCE: Report of SA JOHN W. PARISH dated 12/31/62 at Chicago.

- P -

ENCLOSURES

TO BUREAU

Two (2) copies of a letterhead memorandum which sets forth a characterization of informants utilized in this report.

LEAD

CHICAGO

AT CHICAGO, ILLINOIS. Will continue to conduct and report investigation concerning the background, associates, and activities of LOUIS ARGER.

red	Special Agent In Charge	Do not write in spaces below	
is made:		92-5794-107-15	
(3) - Bureau (92-5794)		13 FEB 25 1963 REC-68	
1 - USA, Chicago			
2 - Chicago (92-1039)			

CG 92-1039

ADMINISTRATIVE

Inasmuch as [REDACTED]

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INFORMANTS

[REDACTED] who  
was contacted on various dates during the period by SAs  
JOSEPH G. SHEA and WILLIAM A. MEINCKE.

b7D

CG T-13 is PCI [REDACTED] contacted on 1/17/63 by  
SAs AUGUST C. KEMPFF and JOHN W. PARISH.

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CG T-19 is PCI [REDACTED] contacted on  
2/12/63 by SA JOHN W. PARISH.

- B\* -

COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1- USA, Chicago

Report of: SA JOHN W. PARISH  
Date: 2/20/63

Office: Chicago

Field Office File No.: 92-1039

Bureau File No.: 92-5794

Title: LOUIS ARGER

Character: ANTI-RACKETEERING

Synopsis: ARGER continues to reside at 6128 North Keating Avenue, Chicago, Illinois, and is currently driving a 1962 Pontiac Grand Prix, 1963 Illinois license GK 6921. ARGER continues in operation of strip joints and arcades on South State Street, Chicago. Information concerning associates and activities of ARGER set out.

- P -

CG 92-1039

DETAILS:

BACKGROUND

Residence

Investigation during the period reflects that ARGER continues to reside with his family at 6128 North Keating Avenue, Chicago, Illinois.

Automobile

During a physical surveillance on February 7, 1963, it was ascertained that ARGER continues to drive a 1962 lavender red Pontiac Grand Prix automobile. It was also noted that the 1963 Illinois license for this automobile is GK 6921.

ASSOCIATES

JOE BOVITO

On January 4, 1963, CG T-1 advised that JOE BOVITO has been a partner in many of ARGER's business enterprises on South State Street for the past 25 years or more.

RALPH PIERCE

At 7:05 p.m. on January 3, 1963, ARGER was observed in the vicinity of State and Congress Streets, Chicago, in the company of Chicago hoodlum RALPH PIERCE. They were observed to proceed to the Crossroads Restaurant, 400 South State Street, Chicago, stopping momentarily en route at the Holiday Lounge and the Star and Garter Lounge, owned by ARGER, where it was noted that ARGER spoke briefly with the doormen of these establishments.

[REDACTED]

CG T-10 advised that [REDACTED]

[REDACTED]  
[REDACTED] for many years assigned employees of the

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CG 92-1039

National Maintenance Corporation to take care of the boats of LOUIS ARGER, which were docked on the Chicago lakefront and that the employees' salaries were charged to National Maintenance Corporation.

CG T-10 stated that although [REDACTED]

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CG T-11 stated that LOUIS ARGER [REDACTED]

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[REDACTED] The reason for this was so that [REDACTED]

CG T-11 stated that [REDACTED]

CG T-12 stated that about three and a half years ago, [REDACTED] in some way offended JOSEPH GLINCO, Chicago hoodlum, and in fear of GLINCO, [REDACTED]

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CG 92-1039

[redacted] again was in trouble with GUS ALBY and LOUIS  
ARGER when he was [redacted]

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CG T-1 advised that [redacted] has, in the past,  
[redacted] the following property:

Regis hotel, North Clark Street, Chicago;  
Alden Hotel, North Sheridan Road; a South  
Side hotel in the Negro area; and the Acorn  
on Oak, a tavern and building located on  
East Oak Street, Chicago.

CG T-1 advised further that [redacted] within

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LOUIS TORNABENE

CG T-10 advised that LOUIS TORNABENE was a  
partner of ARGER in the Paradise Arcade on South State  
Street until about three years ago when TORNABENE's  
interest was bought out for \$17,000. He said that, at  
the present time, the Paradise Arcade is believed to be  
owned by [redacted] JOE BOVITO, and ARGER.

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ACTIVITIES OF LOUIS ARGER

CG T-10 advised that the [redacted]

[redacted]  
[redacted] CG T-10 advised further that [redacted]  
[redacted]  
[redacted]

CG 92-1030

CG T-11 advised on December 28, 1962, that stag films are shown in the Paradise and Super Arcades owned by ARGER, as well as a new arcade located next to the Crossroads Restaurant. He said that the coin operated machines cost from 50¢ to \$1.00 to view the pictures and that each machine has an electric switch which changes the film in the machine from merely an art film to the lewd and pornographic films. CG T-11 advised that ARGER has one machine of this type at the Paradise Arcade. He further advised that ARGER was formerly responsible for the filming of some of the pictures presently in the arcades when they were filmed in Mexico and California several years ago. CG T-11 stated these films are the source of a lucrative business in the arcades and that a great number of sailors from Great Lakes, Illinois, who visit the arcades to obtain tattoos and play games, are often induced to view these pictures.

CG T-12 advised that the property at 500 South State Street, upon which the Super Arcade is located, is owned by a distillery which has offices at 134 North La Salle Street, Chicago. He said this distillery has home offices in Bardstown, Kentucky.

CG T-1 advised that ARGER continues as a collector for the "outfit" in strip joints on South State Street and part of his job is to keep the strip clubs in line in the First Ward for Chicago hoodlum GUS ALEX. In connection with the amusement arcades on South State Street, CG T-1 advised that the split with the "outfit" is 50 per cent.

On January 17, 1963, CG T-18 advised that the following places in the First Ward of Chicago are owned by GUS ALEX, [redacted] and ARGER, and are operated by various people, as indicated:

Moulin Rouge - formerly operated by [redacted]  
[redacted] present operator unknown

Crossroads Restaurant - operated by [redacted]  
[redacted] (LNU)

Cabana Club - operated by [redacted] and  
[redacted]

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CG 92-1039

Chez Parisian - operated by CHARLES "CHAPPIE" BERTUCCI and [REDACTED] LNU

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Showboat Lounge - operated by [REDACTED]

Eddie Fox's Show Lounge - operated by one [REDACTED]

CG T-18 noted that [REDACTED] has the reputation of being a [REDACTED] Chicago hoodlum GUS ALEX.

Holiday Show Lounge - operated by [REDACTED] LNU and [REDACTED]

Star and Garter Lounge - operated by HARRY MARCUS

On January 4, 1963, CG T-11 advised that about

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On February 7, 1963, during a physical surveillance, ARGER was observed departing the garage at his residence, 6128 North Keating Avenue, Chicago, in his 1962 Pontiac automobile. ARGER drove to the 400 block of South State Street, Chicago, where he parked his automobile and, subsequently, entered the Crossroads Restaurant at 400 South State Street.

On February 12, 1963, CG T-19 advised that ARGER is scheduled to appear either in local court or before the Illinois State Liquor Commission in Chicago on Thursday, February 14, 1963, for a hearing which could result in the suspension of his liquor licenses for the Holiday Show Lounge and the Star and Garter Lounge. CG T-19 advised that this hearing was the result of recent arrests made by the Vice Squad of the Chicago Police Department at both these establishments.



CG 92-1039

POLICE PROTECTION AND POLITICAL TIES

CG T-12 advised that several years ago LOUIS  
ABGER had a great deal of trouble with [REDACTED]

[REDACTED]  
[REDACTED] was attempting to  
close down the arcades on the basis of the lewd and  
pornographic films, which were on display at the arcades  
in coin-operated machines. Captain [REDACTED] succeeded  
in bringing the case to court against the arcade operators

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CG T-1 advised that the arcade operators could  
not get away with the display of these films without the  
sanction of the Chicago Police Department, the Mayor, and  
local judges. He advised the injunction against the  
Chicago Police Department and Board of Censors still  
stands and that Judge COVELLI and Judge DE SONT were the  
responsible people for this injunction. CG T-1 indicated  
that the Board of Censors for Chicago is made up largely  
of relatives of Chicago policemen and politicians.

CG T-10 advised that he believes [REDACTED]  
[REDACTED]

CG 92-1039



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UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois  
February 20, 1963

*In Reply, Please Refer to  
File No.*

92-1039

Title        LOUIS ARGER

Character    ANTI-RACKETEERING

Reference    Report of Special Agent John W.  
              Parish dated and captioned as  
              above.

All sources (except any listed below) whose identities are concealed in referenced communication have furnished reliable information in the past.

CG T-19 has been contacted insufficiently to determine his reliability.



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to  
File No.

Chicago, Illinois  
February 20, 1963

92-1039

LOUIS ARGER  
ANTI-RACKETEERING

Reference is made to report of Special Agent John W. Parish, dated and captioned as above.

CHARACTERIZATION OF INFORMANTS

[redacted] is an individual who is well acquainted with numerous individuals in the hoodlum element in Chicago. He has been able to furnish information relating to Louis Arger because of this acquaintanceship.

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CG T-18 is an individual who is familiar with operations of strip joints in the Chicago area, [redacted]  
[redacted] Due to his familiarity with these operations, he has been able to furnish information relating to Arger.

CG T-19 is an individual who, because of his employment, is acquainted with many strip joints operating in the Chicago vicinity and has been able to furnish information concerning Arger.

This document contains neither recommendations nor conclusions of the Federal Bureau of Investigation. It is the property of the Federal Bureau of Investigation and is loaned to your agency; it and its contents are not to be distributed outside your agency.

CG 92-1039

DETAILS:

BACKGROUND

Residence

Investigation conducted during the period reflects that LOUIS ARGER and his family continue to maintain residence at 6128 North Heating Avenue, Chicago, Illinois.

ACTIVITIES OF ARGER

CG T-1 has advised that ARGER continues in the operation of strip joints and arcades on South State Street in Chicago. He has advised that among ARGER's enterprises are the Star and Garter Lounge, the Holiday Show Lounge, the Crossroads Restaurant, the Paradise Arcade and the Super Arcade.

## FEDERAL BUREAU OF INVESTIGATION

Date 2/21/63

1.

[redacted] was interviewed at the Chicago Office of the Federal Bureau of Investigation by SA [redacted] and JOHN W. PARISH at which time he advised that he was [redacted]

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[redacted] He stated that he terminated his employment [redacted] and since that time has been employed as a [redacted]

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[redacted]

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When questioned as to the possibility of him ever [redacted] stated that he never did this, and does not know GUS ALEX. He stated that he had lent his car in the past to [redacted] and knows that [redacted] is acquainted with GUS ALEX and the possibility exists that [redacted] to ALEX. [redacted] also stated that he is personally acquainted with LOUIS ARGER who frequented the Club Rogue on many occasions [redacted] and he understood ARGER to be the owner of the Holiday Snow Lounge and the Star and Garter Lounge, both strip joints on South State Street.

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[redacted] further advised that [redacted] is currently employed as [redacted] at the Silver Frolics strip joint on North Wabash. He further advised that it was his opinion that the current manager of the Club Rogue is a person by the name of [redacted] (last name unknown). [redacted] stated that he is currently employed by the [redacted] Clark and Berry Streets, Chicago.

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On 2/8/63 at Chicago, Illinois File # CG 92-373  
92-1039  
by SAs [redacted] and JOHN W. PARISH/ptc Date dictated 2/15/63

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## FEDERAL BUREAU OF INVESTIGATION

Date March 8, 1963

[redacted] was contacted at the [redacted]. He advised that he had been previously employed as an [redacted]

[redacted]

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Concerning the Star and Garter Lounge [redacted] advised that this place is owned by LOUIS ARGER, who is referred to on South State Street as "Lomie the Greek". He said that the place is [redacted] by one [redacted] LNU and one [redacted] who he has been told was the [redacted] LOUIS ARGER. He said that [redacted]

[redacted]

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South State Street. He stated that ARGER also owns the Holiday Show Lounge and a part of the Crossroads Restaurant both of which are located on South State Street.

[redacted]

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On 3/8/63 at Chicago, Illinois File # 92-1039

by JOHN W. PARISH [redacted] Date dictated 3/15/63

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*In Reply, Please Refer to  
File No.*

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION  
Chicago, Illinois  
April 11, 1963

Title                      LOUIS ARGER

Character                 ANTI-RACKETEERING

Reference                Reference is made to report of  
Special Agent John W. Parish  
dated and captioned as above.

All sources (except any listed below) whose identities  
are concealed in referenced communication have furnished reliable  
information in the past.





UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

*In Reply, Please Refer to  
File No.*

Chicago, Illinois  
April 11, 1963

LOUIS ARGER  
ANTI-RACKETEERING

CHARACTERIZATION OF INFORMANTS

CG T-1 is an individual who is well acquainted with numerous individuals in the hoodlum element in Chicago. He has been able to furnish information relating to Louis Arger's activities because of this acquaintanceship.

CG T-2 is another Government agency.

## FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE <b>CHICAGO</b>	OFFICE OF ORIGIN <b>CHICAGO</b>	DATE <b>6/20/63</b>	INVESTIGATIVE PERIOD <b>4/11 - 6/11/63</b>	b6 b7C
TITLE OF CASE  <b>LOUIS ARGER, aka</b>		REPORT MADE BY  [REDACTED]	TYPED BY  [REDACTED]	
		CHARACTER OF CASE  <b>AR</b>		

REFERENCES: Report of SA JOHN W. PARISH dated 4/11/63 at Chicago.  
 Los Angeles letter to Chicago dated 4/23/63.  
 Miami letter to Chicago dated 5/23/63.  
 Chicago letter to Springfield dated 5/28/63.

- P -

ENCLOSURESTO BUREAU

Enclosed herewith for the Bureau are two copies of a letterhead memorandum setting forth a characterization of informants utilized in this report.

LEADSCHICAGO

AT CHICAGO, ILLINOIS. Will continue to conduct

APPROVED <i>[Signature]</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE		<i>74</i>   <i>5794-12</i>   <i>EC-21</i>	
3 - Bureau (92-5794) (Encl. 2) 1 - USA, Chicago 2 - Chicago (92-1039)		JUN 24 1963 <i>3 50 PM '63</i>	
DISSEMINATION RECORD OF ATTACHED REPORT		NOTATIONS	
AGENCY.....	<i>ICA</i>	<i>[Handwritten notes]</i>	
REQUEST RECD.	<i>ICC</i>		
DATE FWD.			
HOW FWD.			
BY.....			

CG 92-1039

and report investigation concerning activities and associates of LOUIS ARGER.

INFORMANTS

CG T-1 is [ ] contacted on various dates during the period by SAs JOSEPH G. SHEA and WILLIAM A. MEINCKE.

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CG T-2 is PCI [ ] contacted on May 22, 1963 by SA [ ]

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CG T-3 is PCI [ ] contacted by SA [ ] on May 27, 1963, and June 3, 1963.

CG T-4 is CG [ ] contacted on various dates during the period by SAs SHEA and MEINCKE. [ ]

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[ ] and CG T-5 is [ ] contacted by SAs [ ] on May 24, 1963. (by request)

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- B\* -

COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago

Report of: SA ROBERT A. COOK Office: Chicago  
Date: 6/20/63

Field Office File #: 92-1039 Bureau File #: 92-5794

Title: LOUIS ARGER

Character: ANTI-RACKETEERING

Synopsis: ARGER continues to reside at 6128 North Keating Avenue, Chicago, Illinois. He continues to operate his strip joints on south State Street, however, one of them, the Star and Garter, was raided by Chicago Police on April 20, 1963, as a result of solicitation by one of the female employees.

[REDACTED] ARGER interviewed on two occasions but declined to answer any questions directed to him on each occasion.

- P -

CG 92-1039

DETAILS:

I. BACKGROUND

Residence

On June 11, 1963 a surveillance was conducted by SAs JOHN W. PARISH and [redacted] in the vicinity of ARGER's residence at 6128 North Keating Avenue, Chicago, at which time a 1961 white Pontiac convertible with Illinois registration GK 6922 was observed by the agents. This registration was determined to be listed to MARY ARGER at 6128 North Keating Avenue. It should be noted that MARY ARGER is the wife of the subject.

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Health

During the interview of ARGER on May 9, 1963 by Bureau agents, ARGER informed the agents he was in ill health with a bad heart and hepatitis and would probably have to return to the hospital in the near future.

CG T-1 advised that he observed ARGER recently and stated that ARGER is very sickly in appearance and is constantly complaining about the "G heat".

II. ASSOCIATES

HARRY MARCUS

CG T-1 advised that HARRY MARCUS is a close associate of ARGER and is now working as a salesman for the Cosmopolitan Insurance Company in Beverly Hills, California. CG T-1 stated that the Cosmopolitan Insurance Company purchased the Omaha Mutual Insurance Company of Nebraska last year.

CG T-1 stated that HARRY MARCUS is an [redacted] (phonetic) and was formerly a floor man or manager of the Star and Garter strip joint as well as the Kitten Lounge owned by LOUIS ARGER. MARCUS allegedly left the Chicago area a year ago for California after selling out his interest in the Star and Garter Lounge to ARGER.

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[redacted] On April 3, 1963 [redacted] of the Cosmopolitan Life Insurance Company, 8350 Wilshire Boulevard, Los Angeles, California, advised SAs AMEDEE O. RICHARDS, JR. and [redacted] that no one by the name of HARRY MARCUS was presently or had been in the past employed by Cosmopolitan Insurance Company. [redacted] telephonically contacted [redacted]

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[redacted] the insurance company who according to [redacted] advised her that MARCUS was never employed by that company but had come to Los Angeles from Chicago and visited him in the office of his insurance company. [redacted] further advised that [redacted] had told her he had not seen MARCUS since this original visit and had no idea about his present whereabouts.

### III. ACTIVITIES OF LOUIS ARGER

CG T-2 advised that the Holiday Show Lounge on south State Street, Chicago, was owned by LOUIS ARGER and recently received a ten day license suspension from the Illinois Record Control Board, Chicago, as a result of a recent vice arrest by Captain [redacted] of the Chicago Police Department. The suspension was to become effective on March 11, 1963. This raid on the Holiday Show Lounge was conducted by Chicago Police Department on January 7, 1963, based on the solicitation of two female employees of the club to perform acts of prostitution if the police buy them champagne.

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In this connection, the following article appeared in the "Chicago Tribune" on April 20, 1963 indicating that the persons arrested in this raid were freed by Judge JOHN J. SULLIVAN of Chicago's Municipal Court.

"Prostitute Fee is not Wine;  
Judge Frees 5

"Payment in champagne does not constitute consideration for an act of prostitution, it was ruled yesterday.

"Judge John J. Sullivan of Women's court freed five persons who appeared before him on vice charges that grew out of a police raid on the Holiday lounge, 438 S. State St., on Jan. 7. Police testified that two women had agreed to acts of prostitution if the police would buy them champagne. Sullivan said that prostitution, under the law, is an act done for money, not for champagne or other payment.

"The judge freed Toby Mansfield, 48, and Lee Ray, both charged with prostitution, and John G. Pittas, Norman Angus, and Mary Ann Mulvaney, all charged with keeping a house of prostitution. Eight other persons arrested in the raid were freed earlier when the judge denied the state the right to file city charges against them."

CG T-1 advised that he had received information that LOUIS ARGER who operates the Holiday Show Lounge and the Star and Garter and some amusement arcades in the area of Van Buren and State Streets was considering selling out his interest in these establishments to [redacted] CG T-1 stated that he had heard that ARGER wants to dispose of his interests because he wants to go to a warm climate and retire.

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CG 92-1039

CG T-4 advised that he has received information that ARGER was attempting to secure the services of [redacted] for him in one of his strip joints. CG T-4 stated that [redacted] declined ARGER's offer. CG T-4 stated that it was his opinion that ARGER wanted [redacted] for him so that he could obtain from [redacted] the best looking girls who were employed as strip tease dancers in Chicago.

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The following article appeared in the "Chicago Sun-Times" on April 21, 1963 in connection with the raid by Chicago Police on the Star and Garter Lounge, 424 South State Street. The police arrested 14 women and three men at the raid as a result of a female employee soliciting a Chicago policeman posing as a businessman for drinks and prostitution:

"Police Seize 17, Close Tavern

"Vice detail police arrested 14 women and three men Saturday night in a vice raid that closed up the Star and Garter Lounge, 424 S. State.

"They said a woman who identified herself as Lena Kennedy, 25, of 3658 W. Jackson, solicited a plainclothesman posing as a businessman for drinks and prostitution.

"Also arrested were a man who identified himself as Tom Santos, 30, of 1638 N. Hudson, the floor manager; two bartenders and 13 women."

CG T-4 advised that he has received information that LOUIS ARGER pays off policemen in the 1st District to refrain from raiding his strip joints on south State Street.

CG T-5 advised that [redacted]  
[redacted]

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CG 92-1039

CG T-5 [REDACTED]

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CG T-5 stated [REDACTED]

[REDACTED] CG T-5 said [REDACTED]

[REDACTED] CG T-5 stated that she did not know LOUIS ARGER.

CG T-3 advised that he has received information that the strip dancers employed at the Star and Garter Lounge as well as the Holiday Lounge receive a salary of \$135 a week which is a seven day week and that they also receive a commission for each drink solicited from the male customers. CG T-3 stated that couples are not allowed at the strip joints; only male customers are allowed entrance. CG T-3 stated that he had also heard that the Star and Garter Lounge and the Holiday Lounge are both owned by LOUIS ARGER; however, his name does not appear on any records in this connection.

CG T-3 stated that he had also heard that [REDACTED]

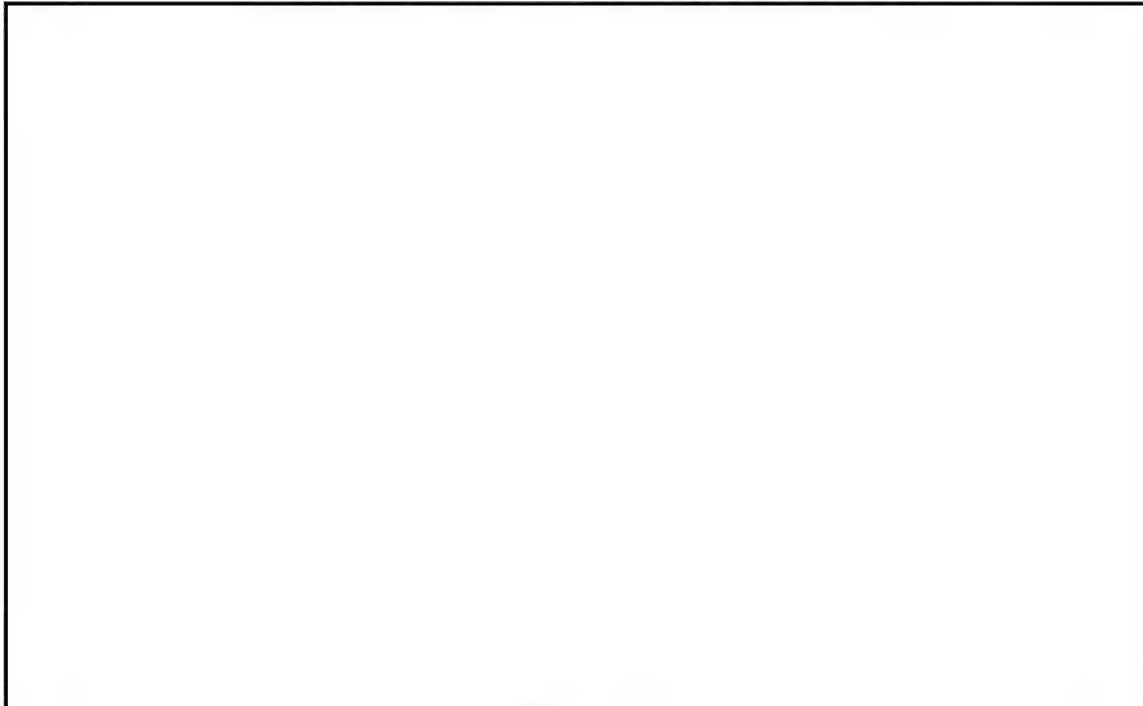
[REDACTED] CG T-3 also stated that ARGER also has someone else seated near the front window at his strip joints observing the street, so that they can be forewarned of any policeman approaching the area. CG T-3 also stated that [REDACTED] employed at the Star and Garter are [REDACTED] LNU and [REDACTED] LNU, who are on duty as [REDACTED] from about 6:00 PM to closing time which is normally 4:00 AM.

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CG 92-1039

CG T-3 stated that he had heard that [ ] LNU is  
the [ ] at the Star and Garter for ARGER.

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[ ] also known as [ ]  
[ ] advised SAs [ ]  
[ ]

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[ ] She stated that  
she formerly worked at the [ ] She stated  
that she is not required to solicit drinks at her  
place of employment and her only function there is  
an entertainer. She stated that her average salary  
was about \$100 a week. She stated that she had not  
yet [ ]



[REDACTED]

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[REDACTED] She claims she  
knew no one by the name of LOUIS ARGER.

On May 13, 1963 [REDACTED]

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[REDACTED] mentioned  
that a recent Illinois statute signed by the Governor  
of Illinois on April 23, 1963 raised the minumum age  
of persons tattoood to 21. [REDACTED] stated that the law  
goes into effect July 1, 1963 and because of it, he,  
[REDACTED] He

stated that this will undoubtedly force many other  
tattoo shop owners in Chicago out of business. He  
expressed an opinion that this would undoubtedly  
hurt most of south State Street arcades and since  
he had heard that ARGER was the owner of some of these,  
he would also lose financially because of the new law.

### III. INTERVIEWS WITH ARGER

## FEDERAL BUREAU OF INVESTIGATION

Date 5/22/63

LOUIS ARGER was observed by SAs [redacted] and [redacted] during the course of another interview at the Crossroads Restaurant, State and Van Buren, Chicago, Illinois. ARGER was approached by the Agents for an interview at which time he refused to be interviewed and made statements: "I've a lot of respect for the FBI but I don't want to match wits with you's guys because you're too well trained and no match for me.. I don't want to talk to any Agents of the FBI".

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In departing, ARGER said that he would not discuss anything about his business and he was in ill health with a bad heart and hepatitis and would probably have to return to the hospital in the near future.

On 5/9/63 at Chicago, Illinois File # CG 92-373  
by SAs [redacted] and [redacted] Date dictated 5/16/63

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## FEDERAL BUREAU OF INVESTIGATION

1

Date 5/22/63

On May 14, 1963, an orchard colored Pontiac, 1963 license GK 6921, was observed parked facing north on State Street, on the east side of the street, beside a no parking sign at 4 p.m. Photographs of the vehicle were taken at that time. This vehicle is registered to LOUIS ARGER.

At approximately 4:12 p.m., a 1961 Chevrolet Impala, 1963 Illinois license [ ] and Chicago sticker number [ ] pulled up behind the Pontiac and a white male, full face, 5' 10" to 6', 175 to 190 pounds, thick wavy hair, left the vehicle and entered the Star and Garter Night Club.

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An observation of this vehicle disclosed that he had a 1963 Illinois Police Association sticker on the right side of the windshield. In the car, observations were made of a textbook, red in color, entitled "Criminal Investigation."

This individual appeared merely to go in and glance around the night club and left approximately a minute later and proceeded to the Holiday Lounge, looked around in there for a minute, then he walked north on State Street and appeared to be going in the Crossroads Restaurant and Night Club.

At approximately 4:15 p.m., LOUIS ARGER was observed leaving the Crossroads Restaurant followed by two other individuals.

One of the other individuals is described as white, male, 5' 10", thin, dark hair, dressed in a suit, tie and white shirt, and appeared to be of Greek descent.

This individual was recognized by SA PETROS A. KOTSOS as formerly working as a doorman at Eddie Foy's Night Club on South Wabash Avenue. At this time LOUIS ARGER was approached by SAs KOTSOS and [ ] on the street in front of the Crossroads Night Club, State and Van Buren Streets. The Agents identified themselves as Special Agents of the FBI at which time ARGER was dressed in a brown suit, brown hat with a heavy pinched narrow brim, white on white shirt. He had a white handkerchief with the name LOUIS ARGER embroidered across the top of the handkerchief.

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On 5/14/63 at Chicago, Illinois File # CG 92-1039  
by SAs PETROS A. KOTSOS and [ ] Date dictated 5/16/63

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ARGER immediately stated "I don't want to talk with you guys. Listen, I respect you guys and the FBI and I don't want any trouble with yous. So do me a favor, please leave me alone." ARGER appeared visibly shaken by the Agents presence and he looked up and down State Street without looking directly at the Agents. After he started to walk south on State Street, he was accompanied by the Agents who advised they wanted to ask him some questions about his alleged ownership of night clubs, strip joints, and tattoo parlors on South State Street.

ARGER stated he did not want to discuss anything with the Agents and said "talk to my lawyer." The Agents asked who his lawyer was and he identified him as [redacted]  
[redacted]

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ARGER then pulled out a bottle of pills from his pocket and advised the Agents he has been sick recently and may have to go back to the hospital.

Surveillance and interview discontinued.

The Agents observed ARGER appeared to be thin and had a white complexion indicating that possibly he has not been out of doors.

IV. FINANCIAL DEALINGS OF ARGER

CG T-1 advised that LOUIS ARGER, strip joint

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V. AUTOMOBILE OF ARGER

On May 8, 1963 SAs JOHN R. BASSETT and WILLIAM R. BRODERICK observed the plum colored Pontiac bearing 1963 Illinois license GK 6921, and belonging to the subject parked illegally on the east side of State Street heading north. SAs BASSETT and BRODERICK stood next to Sears Roebuck and Company building and observed the subject in conversation with an employee of the newest arcade in the area, which is located between the theatre and the Star and Garter. Shortly after arrival it was noted that Chicago Policeman riding three wheeler number 6377 had stopped a Checker cab behind the subject's car. After a brief discussion the cab proceeded north on State Street, and the policeman continued to drive north on State, completely ignoring the subject's car.

It became apparent that the subject became aware of the agents' location and observation of his activities. He was observed making a telephone call from the above described arcade. After completing the call the subject walked directly across the street and obviously delayed starting his car in order to observe the agents. He drove the car north on State Street to Van Buren and after coming to the intersection of State and Van Buren the traffic policeman working at Van Buren and State was observed stopping the traffic heading south on State Street, to permit the left hand turn by the subject on Van Buren.

It is noted that shortly before the subject left in his car a tan station wagon bearing 1963 Illinois license [redacted] was parked behind the subject's car. The driver of the car was seen entering the doorway leading to the Chicago Bird and Cage Company, 422 South

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CG 92-1039

State. Shortly after a Negro, probably an employee of Chicago Bird and Cage crossed the street and sat in the station wagon. Shortly after the subject pulled away the traffic policeman working traffic at State and Congress walked up to the station wagon said something to the Negro and wrote out a ticket and placed it on the windshield of the station wagon.

The subject was observed parking his car on the west side of State Street, heading south, and just south of the intersection of Van Buren and State. Shortly after subject parked his car another three wheeler, number 6335, turned onto State Street after a right turn off of Congress. This policeman drove slowly up State Street in a northerly direction and then made a U turn just before entering the intersection of Van Buren and State. It was noted that the three wheeler passed right along side of the subject's car during the U turn. The officer made no effort to stop by the car but instead continued south on State Street and turned left on the Congress Expressway.

It is noted that both locations in which the subject's car was parked is a "no parking" area.

#### VI. TRAVEL

Information was previously received and reported that ARGER was in Miami Beach, Florida on January 28, 1963. [redacted] at the Sahara Motel located at 18335 Collins Avenue, Miami Beach, Florida advised SA [redacted] on April 24, 1963 that after an examination of his records he had found no record of LOUIS ARGER being a registered guest at his motel. A photo was exhibited to [redacted] and he claimed that he did not recognize ARGER as ever staying at the motel.

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CG 92-1039

[redacted]  
[redacted]  
Florida, advised SA [redacted] that subject is a very good customer of his whenever he visits Miami Beach. [redacted] stated that ARGER would sit down and visit with him at the store and believes that if ARGER was in town in January, 1963 or thereafter, he would have visited him at his place of business. [redacted] also stated that ARGER enjoys spending time aboard a boat owned and operated by some fire department lieutenant, whose name he did not recall. However, it is possible according to [redacted] that ARGER himself may own the boat. Attempts were made to contact [redacted] however, he was unavailable for interview at the times the attempts were made.

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UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION  
Chicago, Illinois  
June 20, 1963

In Reply, Please Refer to  
File No.

Title                      LOUIS ARGER

Character                ANTI-RACKETEERING

Reference               Report of Special Agent [redacted]  
[redacted] dated and captioned as  
above.

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All sources (except any listed below) whose identities are concealed in referenced communication have furnished reliable information in the past.



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois  
June 20, 1963

In Reply, Please Refer to  
File No.

LOUIS ARGER  
ANTI-RACKETEERING

Reference is made to report of Special Agent  
[redacted] dated and captioned as above.

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CHARACTERIZATION OF INFORMANTS

CG T-1 and CG T-4 are individuals who are

[redacted]  
[redacted]

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and as a result have furnished information concerning  
the activities and associates of the subject.

CG T-2 is an individual who [redacted]

[redacted] could furnish information

[redacted]

CG T-3 is an individual who [redacted]

[redacted]

CG T-5 is an individual who [redacted]  
is in the position to furnish information concerning the

[redacted]

This document contains neither recommendations  
nor conclusions of the Federal Bureau of Investigation.  
It is the property of the Federal Bureau of Investigation  
and is loaned to your agency; it and its contents are not  
to be distributed outside your agency.

## FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE <b>CHICAGO</b>	OFFICE OF ORIGIN <b>CHICAGO</b>	DATE <b>8/8/63</b>	INVESTIGATIVE PERIOD <b>6/15-7/31/63</b>
TITLE OF CASE  <b>LOUIS ARGER, aka.</b>		REPORT MADE BY <div style="border: 1px solid black; width: 150px; height: 20px;"></div>	TYPED BY <div style="border: 1px solid black; width: 50px; height: 20px;"></div>
		CHARACTER OF CASE  <b>AR</b>	

REFERENCES: Report of SA  at Chicago, dated 6/20/63.  
Springfield letter to Chicago, dated 7/1/63.

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- P -

ENCLOSURESTO BUREAU

Enclosed herewith for the Bureau are two copies of a letterhead memorandum, setting forth a characterization of informants utilized in this report.

LEADSCHICAGO

AT CHICAGO, ILLINOIS. Will continue to conduct and report investigation concerning the activities and associates of subject.

APPROVED <div style="border: 1px solid black; width: 100px; height: 40px; display: flex; align-items: center; justify-content: center;">JVC</div>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE:  ③ - Bureau (92-5794) (Encls. - 2)  1 - USA, Chicago  2 - Chicago (92-1039)		92-5794-13	REC-41
		14 AUG 13 1963	EX 104
		NINE	
		STAT. SECT.,	
DISSEMINATION RECORD OF ATTACHED REPORT		NOTATIONS	
AGENCY	100 8-1-63		
EQUEST RECD.	100 8-1-63		
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CG 92-1039

INFORMANTS

CG T-1 is PCI [redacted] contacted on various dates  
from 6/15-7/31/63 by SAs [redacted]

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CG T-2 is [redacted] contacted on various dates,  
during the period of this report by SA JOSEPH G. SHEA and WILLIAM  
A. MEINCKE.

CG T-3 is CG 6576-C\*.

- B\* -

COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago

Report of: SA [REDACTED]  
Date: August 8, 1963

Office: CHICAGO

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Field Office File #: 92-1039

Bureau File #: 92-5794

Title: LOUIS ARGER

Character: ANTI-RACKETEERING

*eb*  
Synopsis: LOUIS ARGER still resides at 6128 North Keating Avenue, Chicago, Illinois. ARGER still operates his strip joints on South State Street, Chicago. One of them, namely the Star and Garter, was again raided by Chicago Police Department, on 7/1/63, as a result of solicitation of drinks and prostitution by one of the female employees. GEORGE ARGER, brother of subject, was arrested in this raid as being "keeper of a disorderly house." Investigation disclosed that ARGER greatly concerned about recent publicity about regarding his connections with strip joints and arcades and also with recent police enforcement of "no clear view law."

- P -

DETAILS:

I. BACKGROUND

Residence

On July 31, 1963, a surveillance was conducted by SAs [redacted] at 6128 North Keating Avenue, Chicago, at which time it was determined by the Agents that ARGER and his family still reside at that address.

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Health

CG T-2 advised that he had heard subject continues to complain of extremely poor health. It is to be noted that when ARGER was recently interviewed by Agents, he complained about the poor status of his health.

II. ASSOCIATES

[redacted] *Chicago T-11*  
[redacted] was interviewed by SAs [redacted] and [redacted] at the Crossroad Restaurant, State and Van Buren Streets, at which time [redacted] stated that LOUIS ARGER still drops in at the Crossroad Restaurant on almost a daily basis and uses [redacted] establishment to make phone calls. [redacted] stated that ARGER has no financial interest in the Crossroad Restaurant and that he has never paid ARGER anything for protection nor has he ever been "muscle" by anyone for goods and services.

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[redacted] stated that he talked to ARGER the previous day July 8, 1963, at which time ARGER was infuriated in regard to the article concerning him in the "Chicago Sun-Times" on that date.

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The article mentioned that ARGER had informed his strippers not to eat the olives served with the martinis and in this regard he, [redacted] stated that he was inclined to believe this because ARGER is "unusually tight and has the first nickel he has ever earned." [redacted] stated that on occasions

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CG 92-1039

he has noticed the big German police dogs kept by ARGER in back of the Star and Garter Lounge and occasionally sees an attendant of the Star and Garter walking the dogs on the street. [ ] stated that he personally wished that ARGER would not come into his place of business because everyone thinks he is connected with the place. [ ] stated that the picture appearing in the "Chicago Sun-Times" article, in connection with the article about ARGER is a very good likeness of him. [ ] stated that he is acquainted with ARGER's brother, GEORGE ARGER, but does not know if he works for LOUIS ARGER in the operation of the Star and Garter Lounge or any other strip joints.

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[ ]  
CG T-3 advised that [ ] is a close associate of subject since he is [ ]

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CG T-3 also advised that [ ]

GUS ALEX

CG T-2 advised that GUS ALEX has over-all control of gambling and vice activities along with FRANK FERRARO, in the Loop area of Chicago and as such ARGER [ ]

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[ ]  
CG T-2 advised that [ ] of ARGER and is currently employed [ ] at the Super Arcade, Congress and State Streets for ARGER. CG T-2 stated that [ ] the Holiday Lounge for ARGER.

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### III. ACTIVITIES OF LOUIS ARGER

CG T-1 advised that the Star and Garter Club, which is owned by LOUIS ARGER but operates under the ownership of MAX GROSS was raided on the night of July 1, 1963, by the Chicago Police at which time 12 strippers and GEORGE ARGER, brother of subject were arrested and taken to First District, Police Headquarters. CG T-1 stated that GEORGE ARGER was arrested for being the "keeper of a disorderly house" and that

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[redacted]  
[redacted] CG T-1 stated that [redacted] is [redacted] of the Star and Garter and also GEORGE ARGER is the brother of the subject. Due to GEORGE's low intelligence, [redacted] had been [redacted] the Star and Garter by the subject.

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Captain [redacted], First District Police Commander, 11th and State Streets, advised from records on July 16, 1963, that the Star and Garter Lounge was raided by officers from his district on July 1, 1963. The officers in charge of the raid were [redacted] Captain [redacted] stated that GEORGE ARGER, brother of LOUIS ARGER, arrested as "keeper of a disorderly house" and that

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[redacted] Captain [redacted] stated that in addition to the above two principals, 12 other strippers were arrested in the raid as being inmates of a disorderly house. Captain [redacted] stated that on July 2, 1963, persons arrested in the above raid appeared in Women's Court at 11th and State, at which time the proceedings were continued until July 25, 1963.

Captain [redacted] advised on July 25, 1963, that the persons arrested in the raid on the Star and Garter appeared in Women's Court on that date and the charges were dismissed against the 12 strippers involved in the raid; however, the case was continued concerning the principals GEORGE ARGER and [redacted] until August 23, 1963.

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The following articles concerning LOUIS ARGER

CG 92-1039

appeared in the "Chicago Sun-Times" issues of July 8, 9, and 10, 1963. The articles were written by veteran crime reporter, SANDY SMITH, concerning the operation of Chicago's strip joints.

The following article appeared in the "Chicago Sun-Times" on July 8, 1963:

"Syndicate Rakes in Riches

"HOW STRIP JOINTS BILK THE SUCKERS

"Suckers, this is for you.

"This is the story of how gangsters pick your pockets in the girly shows the crime syndicate is running wide open in Chicago.

"It will be told from the crime syndicate's books and records which were examined by The Sun-Times.

"The gang's ledgers show that the hoodlums rake in fortunes selling phony booze to you, the suckers, in 15 strip-tease-and-B-girl dives scattered across the Near North Side and the Loop area.

"With the money you dropped in their honky-tonks, the mobsters paid for yachts, grand homes and European vacations. These high-living gangsters will be identified by The Sun-Times.

"Their own records revealed the strip-tease operators as chisellers so hungry for a buck that they cheated their strippers, their B-girls and at least one union, along with their customers.

"Now and then, possibly to keep in practice, the syndicate strip-tease impresarios gyped each other.

"You, as one of the suckers, may not recall exactly how much cash you lost the last time you

were clipped by the syndicate's whining, drink-cadging strippers and B-girls.

"It probably was more than \$25. It might have been 10 times that much--whatever you had in your wallet. In the darkness of the strip-tease dumps, your money just vanished, or was stolen.

"Now, at least, you can be sure of one thing--the syndicate kept a careful count of how much it took from you and the other chumps lured into the strip-tease traps.

"It's right there on the syndicate records.

"The B-girl who clipped you might have been SHIRLEY, a blond stripper. She has worked most of the 15 syndicate dives at one time or another.

"The mob books disclose that SHIRLEY is quite a girl. Diligent, hard-working, attentive--that's SHIRLEY. Her bosses like her.

"They should. For their records show that SHIRLEY wheedled the suckers into buying drinks for her 824 times in one week.

"The drinks consumed by SHIRLEY were fake cocktails--colored water, tea, fruit juice or cheap wine. Each cost the syndicate about one penny. The suckers shelled out \$2.50 for each of SHIRLEY's drinks.

"On SHIRLEY's 824 B-drinks the mob collected \$2,060. Of this, only \$123.60 went to SHIRLEY in her 15-cent commission on each drink.

"Thirsty SHIRLEY was only one of the 13 girls working in the club, according to the records.

"Listed in columns on the documents are the names of the girls, their working days each week,

the number of B-drinks they solicited and the total of their commissions.

"In one week, SHIRLEY and the other female barflies racked up a grand total of more than 3,000 B-drinks. The girls' commissions came to a little more than \$500, while the operators collected more than \$7,000.

"The next week, the girls did even better, the records disclosed. Their B-drinks totaled more than 4,000. The operators took in more than \$10,000 after paying the girls some \$700.

"The informant who delivered the records to this newspaper lives in fear of mob vengeance. To protect the informant, The Sun-Times will not identify the cafe.

"The club is not the largest of the 15 strip-tease dumps. Yet its books reveal that the cabaret took in more than \$200,000 in one year, with a net profit of more than \$120,000.

"On a 50-50 split of the net profit, the syndicate and the club operator collected more than \$60,000 each.

"The syndicate's share of this money is listed neatly, month by month, on one sheet in the books. The amounts range from a low of \$1,000--business was bad in that month; SHIRLEY was working another dive--to a high of \$10,000.

"In the year covered by the syndicate records, according to Chicago police, each of the 15 strip-tease traps fleeced the suckers in the same way and at approximately the same rate.

"Thus, if an honest count was recorded by the gang gypartists on their hitherto secret books, the net profits of all the 15 saloons topped \$1,800,000 in one year.

### Sales Pitch Is Phony Sex

"This rich 'take' and a decline in gambling revenue, police and federal investigators say, established the B-girl racket as the syndicate's No. 1 money-maker in the Loop area and on the Near North Side.

"The racket might be described as a \$1,800,000 sex swindle.

"The syndicate's sales pitch is sex. But in all the 15 resorts the sex proposals of the B-girls and strippers are as phony as the booze they order at the expense of the chumps.

"The girls talk and talk. They whisper promises only as long as the customer buys them the syndicate hootch for \$2.50 a drink at the bar.

"In booths at the clubs, the fake booze is served in champagne bottles. The chumps pay \$10 to \$25 for each tiny bottle, which holds less than a half pint.

"As soon as the customers go broke, the B-girls stop talking sex and push them toward the door.

### List Of The Strip-Tease Dens

"A Sun-Times survey of the 15 strip-tease dens, including the cafe from which the records were obtained, revealed that business is booming.

"On the North Side, the honky-tonks going full blast were:

"The French Casino, 865 N. State; The Pad, 937 N. State; the Shore Club, 528 N. Clark; the Rubi Lounge, 662 N. Clark; the Playhouse, 550 N. Clark; the Talk of the Town, 1159 N. Clark; the Club 19 at 19 E. Chestnut, and the Silver Frolics, 400 N. Wabash.

"The racket was running just as openly downtown in:

"The Crossroads, 400 S. State; Chez Parisian, 636 S. Wabash; Eddy Foy's, 754 S. Wabash; the 606 Club, 606 S. Wabash; the Rouge, 56 W. Randolph; the Star and Garter, 424 S. State, and Holiday Show Lounge, 438 S. State.

"In all these dumps, Sun-Times reporters found, phony liquor is peddled.

"Police agree with this finding. Detectives say that the bonafide liquor sold in the clip cafes is confined almost entirely to beer, which sells for \$1.25 a bottle, and 160-proof grain alcohol, which barkeepers can use as a knockout shot to dose the drinks of well-heeled patrons marked for robbery.

#### Good Stuff Not Wasted On Customers

"Police point out that the gangsters do keep a few bottles of good liquor around the cafes--to serve their friends. The good stuff is not to be wasted on the customers.

"According to police, there is only one way for a chump to emerge unscathed financially from the mob sex traps.

"If he pays his tab with a bogus check, the syndicate won't attempt to collect from him.

"The strip-tease operators are reluctant to risk complaints about bouncing checks. They prefer to make up the loss on the next chump who comes in the door.

"Documents obtained by The Sun-Times show clearly how one of the 15 strip-tease dives prepares fake liquor and how the cafe cheats on its union contracts.

"The records disclose that the cafe:

"1. Ordered gallons of muscatel wine--at \$7 for a case of gallon jugs--for the phony \$2.50 cocktails sipped by the B-girls.

"2. Purchased almost as much Rhine wine at a price of \$6.50 for a case of gallon bottles. Rhine wine is the main ingredient in the syndicate's home-brewed champagne. Each afternoon, bartenders blend the wine with charged water and pour the mixture into the champagne bottles which are peddled in the B-girl booths for \$10 to \$25.

"(Syndicate records showed that a few bottles of genuine champagne were purchased by the club, apparently to obtain bottles with bona-fide labels for the fake champagne. Purchasing records revealed this ratio--one bottle of real champagne for each gallon jug of Rhine wine.)

"3. Cheated on its contracts with the American Guild of Variety Artists, the union that represents the strip-tease dancers, by deducting welfare fund payments of \$3.50-a-week from the girls' pay. The AGVA contract calls for these payments to be made by the club, not the stripper.

"4. Cheated again on its AGVA contract by sending welfare payments to the union on only four of the eight strippers working in the club.

"5. Gypped AGVA once more by failing to supply live music for the bumps and grinds of the strippers. The AGVA contract sets forth that the operators must provide 'live musical accompaniment' for the dancers. But none of the strip-tease dives employs musicians. The strippers dance to music from a juke box.

#### Dancers Must Bring Own Recordings

"To cut down the overhead, the operators force the dancers to supply their own juke-box recordings.

"Chicago's AGVA boss, ALTON SHARPE, told The Sun-Times he had suspected that the strip-tease dives were cheating their employes and the union.

"SHARPE took charge of the AGVA organization in Chicago six months ago. He came here to correct AGVA abuses disclosed in 1962 by the Senate rackets committee's investigation of strip-tease and B-girl clubs.

"In a final report last month, the committee charged that AGVA employees helped import Canadian girls to the Chicago area for prostitution and that the union failed to enforce its contracts with the strip-tease joints.

"The committee chairman, Sen. JOHN MC CLELLAN (D-Ark.), promised a new investigation of AGVA to determine if the union had been cleaned up.

"SHARPE said that currently the welfare fund payments are his 'biggest problem.'

"It's not right, under AGVA contracts, for the clubs to charge the girls for the welfare payments,' SHARPE said. 'I can't do much about it, though, without an official complaint from a stripper.'

"In the Star and Garter, a brunet dancer talked to a reporter about the welfare payments deducted from her pay. She was asked if she had complained to AGVA about it.

"She ordered another \$2.50 drink--her seventh--while she mulled over the question. Then she said:

"'You're naive, honey. You don't know the guys who run this place. If I squawked to the union, they'd crack my head.'"

"The AGVA chief, SHARPE, said he could not understand why AGVA had not required the 15 strip-tease dens to get rid of the juke boxes and supply



the dancers with 'live musical accompaniment.'

"It was a mystery, SHARPE said.

"The contract requires live music,' he explained. 'But I don't know why it hasn't been enforced. It's strange. The clubs have been using juke boxes for 12 or 15 years. I can't comprehend why something hasn't been done to enforce the contract.'

#### Under Heavy Pressure From Police

"Since the Senate rackets committee hearings last year, the syndicate strip-tease bars have been under heavy pressure from Chicago police.

"In the last 12 months, police raided the mob dives more than 50 times, arresting 350 B-girls and strippers. Eight liquor licenses held by the mob's operators were revoked. A dozen more have been suspended.

"But the syndicate manages to keep its sucker traps going despite the raids, licenses revocations and suspensions, and Chicago's police reforms. As fast as detectives knock out one dive, the syndicate sets up another.

"The cost of establishing a new B-girl base is not great. All that is required is a bar, a dozen floozies and strippers, a stock of cheap wine and a few bottles with champagne labels.

"To hold the liquor licenses, the gangsters pick 'front men' whose photographs and fingerprints are not in police files.

"Then they light up the entrance and dim the lights inside. They're ready to clip the suckers."

The following article appeared in the "Chicago Sun-Times" on July 9, 1963:

**CHICAGO B-GIRLS' SILENT PARTNER--HE RATES WITH THE SYNDICATE**

"A strip-tease dancer on S. State St. learns one thing fast--don't talk about LOUIE ARGER.

"In the crime syndicate dives in the 1st Ward, the strippers and B-girls are forbidden even to speak the name of ARGER or hint that he is their boss.

"And just south of the Loop, according to police and federal investigators, ARGER is a whole lot more than that.

"Police rank him in the upper echelon of the crime syndicate as the owner of strip-tease dens and penny arcades, a silent partner in at least three more sucker-trap night clubs, and the favorite cousin of the Loop rackets boss, GUS (SLIM) ALEX.

"Government men identify the 56-year-old ARGER as the police fixer who set up a 'protection' kitty into which each of the seven 1st Ward strip-tease joints pays \$300 a month.

"In return for these payments, federal agents say, ARGER promises the gyp night clubs freedom of operation without police interference.

"The names of policemen who allegedly collected payoffs from the 'protection' kitty are expected to be listed in a report being prepared by the Justice Department on Chicago police corruption.

"Atty. Gen. ROBERT F. KENNEDY ordered the corruption report assembled at the request of Police Supt. ORLANDO W. WILSON.

"Capt. JAMES RIORDAN, commander of the 1st Police District in which the seven strip-tease joints have been operating, told The Sun-Times he had no knowledge of ARGER's 'protection' kitty or any payments from it to policemen.

"'But it appears as if all those places (the strip-tease clubs) have some great influence one way or another,' RIORDAN added. 'How else could they operate?'

"'The strip-tease operators don't worry about police raids. They appear to be concerned only about the expenses involved when they are closed. In some cases, the city has revoked the liquor license of the strip-tease places only to have the license restored by an appeal to the Illinois Liquor Control Commission.'

"On his S. State stamping ground, ARGER holds yet another title. There he is known as 'The Mayor'.

"His balliwick extends four blocks along State from the edge of the Loop to Polk.

"It is a tangle of syndicate B-girl dumps, pornographic peep shows, penny arcades, tattoo parlors, pawnshops and flophouses.

"Through this rackets maze, for the last three years, federal agents and prosecutors have been on ARGER's trail.

"Pressure from the U.S. government reportedly impelled ARGER to issue an ultimatum to his dancers and B-girls.

"He directed them never, under any circumstances, to mention his name. Henceforth, he ordered, they were to use the fake name 'MAX GROSS' whenever referring to the boss.

### Keeps Ferocious Dogs

"The girls were told by ARGER that violators of his don't-mention-my-name ukase would be 'thrown to the dogs.'

"It was no idle threat. ARGER's dogs, two ferocious German shepherds, are penned behind his gyp night club, the Star and Garter, 424 S. State.

"Snarling through a chain-link fence, the dogs prevent police and federal agents from coming through the back door to catch ARGER's B-girls in the act of clipping--or robbing--the patrons.

"Syndicate strip-tease racket records, which have been examined by The Sun-Times, show that the mob grants extraordinary privileges to ARGER.

"On the North Side, the gangsters' ledgers reveal, the syndicate grabs 50 per cent of the profits of eight strip-tease cafes.

"But south of the Chicago River, in the 1st Ward, the syndicate collects only 20 per cent of ARGER's loot from the girlie shows.

"The seven syndicate clip joints in the 1st Ward are:

"The Crossroads, 400 S. State; The Chez Parisian, 636 S. Wabash; Eddy Foy's Club, 754 S. Wabash; the 606 Club, 606 S. Wabash; the Rouge, 56 W. Randolph; Holiday Lounge, 438 S. State, and the Star and Garter.

"At least three of the honky-tonks--the Chez Parisian, the Holiday and the Star and Garter--are controlled by ARGER, with the backing of ALEX, the rackets overlord.

"Both ARGER and ALEX live high on the extra

cut of the strip-tease profits, estimated at \$1,800,000 a year from all 15 dives on the North Side and in the 1st Ward.

#### Spending Is Probed

"At least twice a year, ALEX vacations in Europe. His profligate spending on one of these junkets is under investigation by the Internal Revenue Service.

"ARGER, like his cousin GUSSIE, does not bother to conceal his wealth.

"His home is a brick-and-stone mansion at 6128 N. Keating.

"He dabbles in the stock market. Among his investments was a \$30,000 purchase of stock in the Cosmopolitan Insurance Co., which was declared insolvent and seized by the state last April.

"He took up yachting, too, buying a 35-foot power cruiser, the Mary I. ARGER named the yacht for his wife.

#### Linked To Politicians

"The honky-tonk 'protection' fund arranged by ARGER came to light in the U.S. government's investigation of a reputed crime-and-politics alliance in the 1st Ward.

"Federal agents found that ARGER collected 'protection' money from the clip joints with the sanction of the 1st Ward Democratic Organization.

"The 1st Ward organization is a power in politics--and reputedly in the rackets. It is infiltrated with ex-convicts, gamblers and gangsters' pals. The federal inquiry revealed that the 1st Ward organization was dominated by syndicate hoodlums.

"In the 1st Ward, police have noted, ARGER

goes about his business in the manner of a gangster with rock-solid 'protection' and friends in high political places.

"He parks his plum-hued sedan every day in a no parking zone outside the Crossroads.

"If police action threatens to interrupt his strip-tease operations, ARGER is able to obtain photographs of police raiders. He distributes the photos in his cafes so the E-girls do not mistake a policeman for just another chump.

#### Protected By Injunction

"And police say that a Superior Court injunction prevents them from so much as setting foot in ARGER's penny arcades to check on reports that his peep shows are pornographic.

"The court order, in force for the last eight years, restrains police from 'interfering' with peep shows in the Paradise Arcade, 426 S. State, and the Super Arcade, 500 S. State.

"The injunction was issued on the ground that the movies in the peep shows were approved by the police movie censor board.

"By punching quarters into a coin-operated projector, a Sun-Times reporter viewed lewd films in both arcades. For years, police have suspected that the arcades substitute lewd movies for the so-called 'art' films approved by the censor board.

"Police Capt. RIORDAN conceded that the injunction, in effect, gave ARGER's arcades immunity from police surveillance.

#### Police Can't Go Inside

"'Under that injunction, my detectives can't go inside those arcades to see if anything is wrong,' RIORDAN said.

"ARGER's sidekicks in the 1st Ward strip-tease racket are identified by police as LOUIE TORNABENE, a syndicate gambler; NICK (MOUSY) GARAMBRONE, a gang courier; and CHARLES (CHAPPIE) BERTUCCI, a \$566-a-month sewer worker with a police record of eight arrests but no convictions.

"According to police, the three were associated with ARGER in the operation of the Chez Parisian and Eddy Foy's Club.

"The strip-tease joints run from 9 p.m. to 4 a.m. In the city sewer department, BERTUCCI works the midnight to 8 a.m. shift.

"A reporter asked BERTUCCI about this. He offered the following explanation:

"'The police are bum-rapping me. I was in the Chez Parisian so much that they thought I had a piece of the joint. But I don't. The police can't prove that I have anything to do with it.'

"In some quarters of the underworld, the affluence of ARGER is attributed to his penny-pinching. He is said to be seeking constantly to cut down the overhead in the club joints to increase his already fat profits.

#### Cuts Out The Olives

"At the Star and Garter, a reporter discovered that ARGER's cost cutting had been extended right down to the smallest items in the place--olives.

"The \$2.50 drinks which the suckers buy for B-girls in ARGER's striptease emporium contain only cheap wine or tea.

"There was a time, a brunet stripper confided, when olives were dropped in the B-drinks to give the fake cocktails the appearance of real martinis.

"'We were supposed to drink the "cocktail" but

we were told not to eat the olive,' she said. 'The same olives were served in the drinks over and over again. But the boss couldn't stop the girls from eating them so he did away with the olives.'

"Her story brought the question: Who was the boss?

"Orders are orders in the Star and Garter. The dancer might have been thinking about ARGER's dogs in the cage behind the club. Her answer was loud and clear:

"'Why, that's Mr. GROSS--MAX GROSS.'"

The following article appeared in the "Chicago Sun-Times" on July 10, 1963:

#### LEDGER SHEET ON B-GIRL RACKET--IT'S AN ACCOUNTANT'S NIGHTMARE

"A kangaroo court of the Chicago crime syndicate was convened in extraordinary session in a booth in Valentino's restaurant, 15 E. Ohio."

"The magistrate, presiding amid a clutter of cigar butts and coffee cups, was GUS (SLIM) ALEX, 51, the big boss of rackets in the Loop.

"Before him, as litigants, were two masters of strip-tease dives where chumps are shorn of their bankrolls by B-girls.

"They were JIMMY (THE MONK) ALLEGRETTI, 62, paunchy supervisor of six sucker-traps on the Near North Side, and LOUIE ARGER, 56, the kingpin of the B-girl racket in the Loop area.

"To be decided by ALEX were grave charges--the two impresarios were accusing each other of cheating.

"The issue involved payoffs to cabdrivers who deliver loads of conventioners with fat wallets to the strip-tease dens.



### It's Underhanded--And Inflationary

"ARGER contended that ALLEGRETTI was doling out \$10 to the cabbies for each cargo of suckers.

"This was positively underhanded, ARGER complained. Worse, it was inflation. It was twice as much as he was paying the taxi drivers on S. State.

"For the added \$5, cabdrivers were hauling the marks out of the Loop to ALLEGRETTI's joints. With that extra fin, ALLEGRETTI was stealing his business, ARGER lamented.

"ALLEGRETTI said ARGER's accusations were hogwash. At his joints, ALLEGRETTI insisted, taxi pay-offs never exceeded \$5.

"Actually, ALLEGRETTI maintained, ARGER was pirating patrons from the North Side cafes by slipping taxi drivers an \$8 bonus.

"The matter called for quick settlement. To the syndicate, the situation was intolerable. The gangsters were losing on the deal. Only the cabdrivers were profiting.

"In 'court,' ARGER appeared to have the edge. He had the weight of numbers, being accompanied by an aide, NICK (MOUSY) GARAMBRONE. Moreover, 'Judge' ALEX is ARGER's cousin.

### Fixes The Price And The Penalty

"ALEX ended the wrangle by fixing prices--and penalties. He ruled that:

"1. For one sucker, cabdrivers were to get \$2. For each additional chump, the cabbies should receive an extra dollar up to a maximum of \$5. Under no circumstances should the taxi payoff exceed \$5.

"2. Strip-tease operators who violated his edict

would be penalized by the mob. For the first offense, the fine was \$1,000. Second offenders would be stripped of their holdings in the clip joints.

"The ruling stuck, according to police and federal investigators who learned of the kangaroo court.

"And syndicate books and records, which were obtained by The Sun-Times, contain evidence that this is so.

"The ledgers came from one of the 15 strip-tease spots out of which the mobsters collect an estimated net profit of \$1,800,000 a year.

"Regular payoffs to cabdrivers are shown on the records. The numbers of the cabs are listed.

#### Up To \$100 A Night For Cabs

"The strip-tease fees are just what ALEX decided they should be--one sucker, \$2; two suckers, \$3; three suckers, \$4; drivers who delivered a full load of six got no more than \$5.

"Total cab fees ranging up to \$100 a night were on the books as part of the operating expenses of the gyp night clubs.

"The records of this particular club--which has not been identified to protect the informant who obtained the documents--contain code names, cryptic notations and weird computations.

"It is possible, nevertheless, to determine that the single strip-tease joint took in more than \$200,000 in a single year. And it is not the largest of the 15 mob cafes.

"One thing is clear on the books. That is the

amount the syndicate collected on a 50-50 split of the net profit with the operator. The syndicate's cut came to more than \$60,000.

"What happened to the rest of the \$200,000?

"It's hard to tell from the books.

#### A Difference In Figures

"The answer, if it could be found, would be intriguing to the Internal Revenue Service. The IRS receives reports from the strip-tease operators that their gross business can be totaled in five figures, not six.

"On the strip-tease books, the most mysterious items are the operating expenses that gangsters call the 'nut!'

"Sums up to \$1,000 are listed in the overhead with no explanation other than a code name.

"Other amounts are shuffled from the dive to another strip-tease joint and, on the books, it's all part of the 'nut.'

"Strangely, the bills of another cafe are included in the operating expenses of this spot.

"The 'nut' is elastic enough to include the money the gangsters pay for 'protection'--freedom of operation without interference from police.

"Payments of \$300 a month for 'protection' are gathered from the Loop area dives by ARGER.

#### Taking It Off The Top

"On the North Side, ALLEGRETTI's price for 'protection' is \$500 a month per club.

"By listing these payments as part of the operating expenses, the mobsters appear to be taking a wad of currency off the top of the gross

receipts before splitting the net profit with the operator.

"ALLEGRETTI collects the 'protection' money from eight strip-tease dumps in the East Chicago Av. police district.

"The acting district commander, Capt. WILLIAM PAYNE, said Tuesday that police had heard rumors of ALLEGRETTI's 'protection' fund. But no evidence has been found of any payments from the fund to policemen, PAYNE said.

"The records indicate that the gyp clubs shell out other sums for 'protection' in addition to the monthly assessments.

"On the books are expenses up to \$25 for 'beef.' At night, none of the strip-tease dens serves food. In gang jargon, a 'beef' is any trouble with the law.

"The payroll records of the strip-tease joint are equally perplexing.

"The salaries of doormen, who receive between \$100 and \$150 a week, do not appear anywhere on the ledgers.

"The names of the B-girls and strippers are listed along with the drinks--more than 4,000 in one week--which they enticed the suckers to buy.

"But on some ledger sheets, the columns of figures on B-drinks are not added correctly, indicating the girls were cheated out of their pay.

"All in all, the strip-tease books are an accountant's nightmare--and federal agents believe the gangsters planned it that way.

"The suspicion of the government men is that the mob records are no different than the \$2.50 cocktails the chumps buy for the B-girls--fake.

"Government investigations of the strip-tease racket have revealed that profits from the North Side clubs go to four gangsters.

"They are the syndicate chief, MOMO SALVATORE (MOE) GIANCANA, 53, and three North Side mobsters, ROSS PRIO, JOE (CAESAR) DI VARCO and ALLEGRETTI.

"According to the government, the PRIO-DI VARCO-ALLEGRETTI combine collects the syndicate's take from six clubs.

"These are the French Casino, 865 N. State; The Pad, 937 N. State; The Shore Club, 528 N. Clark; The Rubi, 660 N. Clark; The Playhouse, 550 N. Clark; and the Silver Frolics, 400 N. Wabash.

"GIANCANA's plums, reputedly, are the Club 19, 19E. Chestnut, and the Talk of the Town, 1159 N. Clark.

"From these two joints, the profits are said to go 'out west.' The words are used by hoodlums to describe any payment to GIANCANA, who lives in Oak Park.

"The Club 19 is a bit on the posh side in comparison to the other grubby North Side dives.

"In the club, GIANCANA's man, FRANK (BUTCH) LOVERDE, shoos away dirty-shirt customers.

\$2.50 For A 'Cocktail'

"LOVERDE strives to restrict his clientele to big-spending chumps who stray into the club from nearby Rush Street.

"The carriage-trade suckers corralled by LOVERDE pay \$2.50 for fake cocktails--the drinks contain only cheap wine--cadged by his B-girls.

"But few, if any, of the patrons know what happens to their money after it goes into LOVERDE's till.

"Federal investigators say the \$2.50 is split this way:

"The B-girl gets 15 cents.

"Another 35 cents is charged to overhead costs.

"LOVERDE keeps approximately 75 cents.

"The balance--about \$1.25 of the sucker's cash--goes 'out west' to MOE."

CG T-1 advised that he had received information that ARGER was very upset about the publicity appearing in the articles appearing in the "Chicago Sun-Times" characterizing him as the "mayor of South State Street" and the person in charge of corruption and vice on South State Street. CG T-1 further advised that as a result of the unfavorable publicity about ARGER, he had heard that ARGER had instructed all his strippers not to "mix" with the customers and that they were to go "underground" until the unfavorable publicity dies off. CG T-1 stated that as a result ARGER's income from the operation of the Star and Garter has been greatly curtailed because a majority of the profits are secured by the girls mixing with the customers and soliciting drinks from them.

CG T-2 advised that he had received information that LOUIS ARGER had been complaining particularly about the recent press coverage of the strip joints. CG T-2 stated that ARGER is definitely attempting to ascertain the identity of the persons who furnished the information to the newspapers concerning the strip joints. CG T-2 advised that ARGER was probably in trouble with GUS ALEX as a result of ARGER being linked to ALEX in the newspapers in the coverage of the strip operations.

CG T-3 advised that he had received information that ARGER has interest in the Chez Dot, a strip joint located on South Wabash Street. CG T-3 further advised that he had received information that ARGER and other strip operators have to pay a percentage of the profits to First Ward Chieftains for protection and political favors.

CG 92-1039

CG T-3 advised that he had received information that ARGER was very concerned over the recent enforcement by the Chicago police of the "no clear view law." CG T-3 stated that enforcement of this law was being effected by the Chicago police in all areas of Chicago, and not only the strip joints on South State Street. It is to be noted that operators of the various strip joints have engaged an attorney to file an injunction against the City of Chicago to prevent them from enforcing the "no clear view law", stating that to do so would ruin the business at the strip joints. Attorney for the strip joint operators claims that to provide adequate lighting at the strip joints so that the proceedings inside the joints could be observed from the outside, would actually make it possible for the customers to view the strippers from the outside, which would seriously hinder the patronage of the strip joints.

CG T-3 further advised that he had received information that in addition to the operation of strip joints, ARGER also owns about four arcades on South State Street. CG T-3 stated that ARGER is not listed as owner on record at the arcades with the exception of the Paradise Arcade, 426 South State Street.

CG T-2 advised that he had received information that LOUIS ARGER still has the boat "Mary I" and that this boat is moored at Belmont Harbor, Chicago and registered in the name of National Maintenance Corporation. CG T-2 stated that [REDACTED] keeps the boat in maintenance and repair for ARGER and GUS ALEX.

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[REDACTED] Auto Registration Section, Secretary of State, Springfield, Illinois, advised IC JOSEPH D. HAMMITT on June 13, 1963, that 1963 Illinois license GK 6921 was issued February 2, 1963, to LOUIS ARGER, 6128 North Keating, Chicago, for 1962 Pontiac Grand Prix, VIN 962P4509 which was purchased new February 16, 1962, from Henry Susk Pontiac Company, 520 North Wabash, Chicago 10, Illinois. Certificate of Title 962P4509 was issued to ARGER, 426 South State Street for this vehicle with no lien. On November 27, 1962, corrected title was issued to ARGER for this vehicle to change his address to 6128 North Keating,

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CG 92-1039

Chicago, Illinois, and has not been surrendered to date.

[redacted] Drivers License Section, Secretary of State, Springfield, Illinois, advised on June 14, 1963, that drivers license number A626-5300-7193 was issued October 8, 1962, to LOUIS JAMES ARGER, 6128 North Keating, Chicago 46, Illinois. This license expires July 7, 1966, and describes him as 5'7", 150 pounds, date of birth July 7, 1907, gray hair, brown eyes.

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On June 18, 1963, [redacted] of the [redacted] advised that he has not seen ARGER [redacted] [redacted] stated that he has a [redacted] and several years ago had the occasion to [redacted] from Chicago. [redacted] stated he has no knowledge of ARGER's visits to Miami other than the aforementioned time and is not aware of ARGER's background or activities. [redacted] stated that it was his opinion that if ARGER should again visit Miami, and [redacted] in all probability he would [redacted] and should this occur he would notify the FBI.

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UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION  
Chicago, Illinois

In Reply, Please Refer to  
File No.

AUG 8 1963

Title LOUIS ARGER

Character ANTI-RACKETEERING

Reference Report of Special Agent [redacted]  
[redacted] dated and captioned as  
above.

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All sources (except any listed below) whose identities are concealed in referenced communication have furnished reliable information in the past.



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois

AUG 8 1963

In Reply, Please Refer to  
File No.

LOUIS ARGER  
ANTI-RACKETEERING

Reference is made to report of Special Agent  
[redacted] dated and captioned as above.

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CHARACTERIZATION OF INFORMANTS

CG T-1 is an individual who. [redacted]

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CG T-2 is an individual who is acquainted with a number of Chicago bookmakers and strip joint operators and as a result can furnish information concerning these bookmakers, and strip joint operators, who in some cases are associates of ARGER.

CG T-3 is an individual who is in a position to furnish information on a continuous basis concerning the activities and associates of ARGER.

This document contains neither recommendations nor conclusions of the Federal Bureau of Investigation. It is the property of the Federal Bureau of Investigation and is loaned to your agency; it and its contents are not to be distributed outside your agency.

## FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE <b>CHICAGO</b>	OFFICE OF ORIGIN <b>CHICAGO</b>	DATE <b>10/25/63</b>	INVESTIGATIVE PERIOD <b>8/9 - 10/15/63</b>	b6 b7C
TITLE OF CASE  <b>LOUIS ARGER, aka</b>		REPORT MADE BY <div style="border: 1px solid black; height: 20px; width: 100px;"></div>	TYPED BY <div style="border: 1px solid black; height: 20px; width: 100px;"></div>	
		CHARACTER OF CASE  <b>AR</b>		

REFERENCES: Report of SA  dated 8/8/63 at Chicago.  
Los Angeles letter to Chicago dated 8/29/63.  
Chicago letter to Springfield dated 9/27/63.

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- P -

ENCLOSURES

TO BUREAU

Two (2) copies of letterhead memorandum which sets forth the characterization of informants used in this report.

Three (3) copies of letterhead memorandum which sets forth information regarding this investigation received from certain confidential sources.

APPROVED <div style="font-size: 2em; font-family: cursive;">Jvr</div>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE:		<div style="font-size: 1.5em; font-family: cursive;">92-5794-14</div>	REC-16
③ - Bureau (92-5794) (Encls. 5)		1 OCT 30 1963	
1 - USA, Chicago			
2 - Chicago (92-1039)			EX-116
DISSEMINATION RECORD OF ATTACHED REPORT		NOTATIONS	
AGENCY	1cc [initials]	<div style="font-size: 2em; font-family: cursive;">SUSPECT.</div>	
REQUEST RECD.	1cc [initials]		
DATE FWD.			
HOW FWD.			
BY			

CG 92-1039

LEAD

CHICAGO

AT CHICAGO, ILLINOIS. Will continue to conduct and report investigation concerning the activities and associates of the subject.

INFORMANTS

CG T-1 is CG 6576-C\*.

CG T-2 is PCI [redacted] contacted on various  
dates from August 8 through August 21, 1963, by  
SA [redacted]

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CG T-3 is CG 6667-C\*.

- B\* -

COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago

Report of:  
Date:

SA [REDACTED]  
10/25/63

Office: Chicago

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b7C

Field Office File #: 92-1039

Bureau File #: 92-5794

Title: LOUIS ARGER

Character: ANTI-RACKETEERING

Synopsis:

ARGER still resides at 6128 North Keating Avenue, Chicago. ARGER continues the operation of his strip joints, the Star and Garter and the Holiday Show Lounge. Information received that police payoffs have kept above establishments free from raids since July, 1963. Paradise Arcade, Chicago, owned by ARGER, was one of eight arcades on South State Street which was raided by Cook County States Attorney's Police on September 24, 1963, at which time obscene film and projectors were seized at these establishments.

- P -

DETAILS:

I. BACKGROUND

Residence

On October 11, 1963, a surveillance was conducted by SAs [redacted] at 6128 North Keating Avenue, Chicago, Illinois, at which time it was determined by the agents that ARGER and his family still reside at that address. b6 b7C

Health

CG T-3 advised that he had heard ARGER is still greatly concerned about his health and secures the services of six doctors, mainly so he can check up on the results given by each of them.

II. ASSOCIATES

[redacted] also known as [redacted]

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[redacted] advised SAs [redacted] on October 10, 1963, that he has been [redacted] for the [redacted] and for the past six years has been [redacted]. He stated that the Cabana Club is [redacted]. [redacted] stated that [redacted] works at the Cabana Club. He advised that [redacted] also worked at the Chez Dot, South Wabash Street, while the Cabana Club was closed down on a six month suspension of license recently. [redacted] claimed that he knows ARGER from his association with ARGER in the operation of strip joints but disclaims any personal knowledge of his current activities. He claimed that from [redacted]

past experience and association with ARGER he has the impression that ARGER "talks too much" and exaggerates his importance. He claimed that [ ] is the [ ] for the female entertainers at the Cabana Club. In regards to the operation of the Cabana Club he claimed he knew nothing concerning any possible police payoffs in regards to the strip shows at the Cabana. He stated that the police regularly visit the club nightly and that [ ] 1st District police officer, visits the club nightly to look for any possible violations.

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He claimed he is also acquainted with Captain [ ] who is [ ] the 1st Police District, as [ ] sometimes frequents the Cabana Club.

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[ ] claims that they have seven girls employed as strippers at the Cabana in soliciting drinks from customers. They are served real champagne and not Rhine wine as is served by other strip joint operators. In regards to the commission that the girls receive from solicitors of drinks, [ ] claimed that he did not care to comment on the subject. When questioned as to his possible association with 1st Ward Committeeman JOHN D' ARCO and his secretary, PAT MARCY, [ ] again advised that he did not wish to discuss them. He stated that they do have Anco Insurance, which company is owned by JOHN D' ARCO. [ ] also advised that he is acquainted with [ ] the Holiday Show Lounge, and knows [ ] (LNU) at the Star and Garter Lounge. He claimed that [ ] (LNU) is [ ] the 606 Strip Joint.

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HARRY MARKUS

On August 27, 1963, [ ]

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[ ] advised that HARRY MARKUS [ ] advised that MARKUS left Chicago about one year ago and was currently residing somewhere in the Los Angeles area but did not know his exact address.

[ ] stated that MARKUS had worked for ARGER in Chicago but he did not believe that MARKUS was ever a partner of ARGER and that actually MARKUS came to California to get away from ARGER.

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[ ] stated that he was [ ] in Chicago and had started selling insurance and later [ ] Cosmopolitan Insurance Agency. He stated that MARKUS was never employed by the Cosmopolitan Insurance Agency. [ ] stated that he knows LOUIS ARGER from Chicago and that at that time ARGER owned about \$5,000.00 in shares in the Cosmopolitan Insurance Agency but that this representative was a very small portion of the stock issued by that company and ARGER had no controlling interest in the Cosmopolitan Agency. [ ] also stated that he had formerly been Chairman of the Board of United Benefit Fire Insurance Company of Omaha, Nebraska, which company had been formed to cover insurance for bonding companies and that on one occasion SAM GIANCANA had requested of the United Benefit Fire Insurance Company to have the exclusive bonding rights for the State of Florida, however, [ ] stated that the company had denied this request of GIANCANA.

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[ ]  
On August 10, 1963, an automobile which was later determined to be registered to [ ] [ ], was observed parked in the vicinity of the Star and Garter Show Lounge on South State Street, Chicago. This person was observed on the same date to enter into a conversation with LOUIS ARGER.

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[ ] also known as [ ]

On September 4, 1963, SAs [ ] and PETROS A. KOTSOS observed an individual whom they later



CG 92-1039

determined to be [redacted] loitering on the street in front of the building at 408 South State Street, Chicago.

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Interview of [redacted] of the [redacted]

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[redacted] disclosed that he slightly knew [redacted] from stopping in the store the last few days. He noted that after he left his store [redacted] would later meet ARGER and have a discussion with him. [redacted] stated that on the day [redacted] was observed by the agents, [redacted] was complaining to him that he had "seen coppers up and down the block today."

[redacted]  
[redacted]  
On August 22, 1963, [redacted]  
[redacted], Chicago Park District, advised SAs [redacted] and  
PETROS A. KOTSOS that he received a request from the front  
office of the Chicago Park District to afford one [redacted]  
[redacted] an opportunity to acquire a desirable "slip location"  
for his boat at Burnham Harbor. [redacted] said that [redacted]  
has a 27 foot power-driven boat named [redacted] which is  
now located in "slip" number [redacted]

[redacted] felt [redacted] must have some "clout" to be  
considered for a desirable slip location. [redacted] stated that  
the request was to place [redacted] in a slip location from  
one to 15, which are ideal locations to moor the boat.  
[redacted] stated these slips are popularly called "millionaire's  
row".

III. ACTIVITIES

[redacted] advised SAs [redacted] on October 14, 1963, that he is [redacted]

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[redacted] In this capacity he advised that he has observed LOUIS ARGER visit the Painted Lady regularly, mostly for the purpose of using the public telephone which is located near the front door of this establishment. [redacted] stated that [redacted] is the [redacted] the Painted Lady. [redacted] stated that he was a [redacted]

[redacted] He stated that this employment consisted of being the [redacted] [redacted] At that time [redacted] was the [redacted] at the Holiday Show Lounge. He stated that he now understands that it is the duty of [redacted] at the various strip joints to recall the number of customers that are brought to the joints by the various taxicab drivers and that they are later paid so much per customer for bringing them to the strip joints. However, he stated that [redacted] this procedure was not in operation.

A check of the records of the Illinois Liquor Control Board, 188 West Randolph Street, Chicago, revealed the liquor license for the Star and Garter Lounge at 424 South State Street, was issued to MAX GROSS on August 13, 1963, and that the license expires on July 31, 1964. The residence address of GROSS was listed as 6700 Oglesby, Chicago, and listed GROSS as 52 years of age in 1963 and that he was born in Chicago, Illinois. [redacted] of the building was listed as [redacted] and the lease on the building expires August, 1965.

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CG T-1 advised that he had received information that actually LOUIS ARGER is the owner of the Star and Garter, however, he has MAX GROSS front for him in the ownership and operation of this establishment.

A check of the records of the Illinois Liquor Control Board on October 2, 1963, by SAs [redacted] disclosed that the license for the Holiday Show Lounge, 438 South State Street, was issued on February 27, 1963, to [redacted] and he is also listed as [redacted] of the corporation. The license expires on January 31, 1964. Other officers listed for the Holiday Show Lounge, Incorporated, were [redacted]

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[redacted] and [redacted]

[redacted] was contacted on October 15, 1963, by SAs [redacted] at which time he admitted that [redacted] but stated he did not desire to discuss anything about [redacted] or anything else. When asked if he knew LOUIS ARGER, [redacted] denied that he knew this person. He said that any further information would have to be received from his attorney whose identity he would not give to the agents. He concluded by saying that he would call the agents the following day. He did not call the agents as he stated he would the following day.

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CG T-1 advised that he had received information that LOUIS ARGER is actually the owner of the Holiday Show Lounge although he has [redacted] front for him in the ownership of the Holiday Show Lounge and that he has his [redacted] in charge of the operation of it.

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CG T-2 advised that he had received information

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[redacted] CG T-2 advised that he had received information

CG 92-1039

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[REDACTED]

CG T-2 was advised that ARGER had remodeled the booths in back of the Star and Garter [REDACTED] girls to continue to "mix and rough it up". They were also [REDACTED]

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It is to be noted that [REDACTED] is a 1st District detective and in the past has made numerous raids on the various joints on South State Street. However, of late, at least since their last raid which was July 1, 1963, [REDACTED] and other plain clothes Chicago policemen have visited the Star and Garter and other strip joints and have not interfered with the activities there.

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CG T-2 further advised that [REDACTED]

[REDACTED]

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CG T-1 advised that he had received information [REDACTED]

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CG 92-1039

[REDACTED]

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CG T-1 advised that he had received information that [REDACTED]

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[REDACTED]

CG T-1 advised he had received information that the raid on South State Street arcades on September 24, 1963, by Cook County States Attorney's Police, at which time the police confiscated numerous rolls of Parisian movie films and the projectors on which these movies were shown, has caused havoc among the arcade operators, including ARGER, and has caused them great financial losses. CG T-1 advised that ARGER and the other arcade operators are attempting desperately to regain possession of the machines because every day they are in the hands of the police they are losing thousands of dollars which was formerly secured from the proceeds of these machines.

CG T-1 further advised that he had received information that 1st Ward political officials who are close to LOUIS ARGER and other arcade operators are of the opinion that the raid by the States Attorney's Police was initiated by the FBI since the FBI has been conducting an extensive investigation of late in the operation of the arcades and strip joints on South State Street, Chicago.



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION  
Chicago, Illinois  
October 25, 1963

*In Reply, Please Refer to  
File No.*

Title      LOUIS ARGER

Character ANTI-RACKETEERING

Reference Report of Special Agent [redacted]  
[redacted] dated and captioned as above.

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All sources (except any listed below) whose identities are concealed in referenced communication have furnished reliable information in the past.



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois

October 25, 1963

In Reply, Please Refer to  
File No.

LOUIS ARGER, Also Known As  
ANTI-RACKETEERING

Reference report of Special Agent [redacted]  
dated and captioned as above.

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CHARACTERIZATION OF INFORMANTS

Chicago T-1 is an individual who is acquainted with Louis Arger and other Chicago hoodlums and is, therefore, in a position to furnish information on a continuing basis concerning their activities and associates.

Chicago T-2 is an [redacted]  
[redacted] with Louis Arger and is, therefore, in a position to furnish information concerning the activities and operations of his business establishments on South State Street, Chicago, Illinois.

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Chicago T-3 is an individual who is personally acquainted with Louis Arger and other Chicago hoodlums and is, therefore, in a position to furnish information on a continuing basis concerning their activities and associates.

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.





UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois

October 25, 1963

In Reply, Please Refer to  
File No.

LOUIS ARGER, Also Known As  
ANTI-RACKETEERING

During the latter part of August, 1963, information was received from an established source that [redacted] on one occasion had borrowed \$40,000 from Louis Arger but prior to granting the loan Arger took [redacted] to the doctor and ascertained the condition of his heart. According to the source Arger was not about to lend anyone any money if he was in poor physical health because he felt that if he died, his chances for recovering the loan would be in jeopardy. (CG 6667-C\*)

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During the latter part of August, 1963, it was determined through an established source that in regard to the daily habits of Louis Arger he could be located at his residence, 6128 North Keating Avenue, in the morning and up until about 3:00 PM, at which time he would motor downtown and would stop at the Crossroads Restaurant at the corner of Van Buren and State Streets, Chicago. Arger would then remain in this area checking at the various establishments in which he controls till about 6:00 PM when he returns home for dinner and takes a nap until about 11:30 PM when he again returns to the strip joint area and checks on the operations of his clubs. He will remain in this area approximately until closing time when he again returns to his home. (CG 6667-C\*)

Shortly after the first of September, 1963, it was ascertained from a reliable source that Lieutenant [redacted] 1st District Policeman, Chicago Police Department, was given a sum of approximately \$3,200 for payoffs to policemen in the 1st District as a monthly payoff. This sum of money was allegedly collected from the strip joint operators. [redacted] himself received \$150 as his payoff for the month and the remainder of the money was to be distributed among other officers of the 1st District. According to the source, [redacted]

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was to make sure that Officer [ ] was to receive his payoff because he had been causing so much trouble in the past through enforcement of local laws in the Loop area strip joints. According to the source, [ ] was recently called in by the Internal Revenue Service and questioned about his connections with the 1st Ward politicians. (CG 6576-C\*)

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During the early part of September, 1963, an established source advised that he had received information that Louis Arger met with Pat Marcy, at which time Arger was complaining because [ ] of the Follies Burlesque Show on South State Street, was showing Parisian movies in addition to his live strip tease dancers, which procedure was cutting into the operation of the arcades on South State Street. Arger allegedly stated that he was going to tell the police and possibly have them contact or raid the Follies because of showing these lewd movies. According to the source, [ ]

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[ ] (CG 6576-C\*)

Information was received during the middle part of September, 1963, from an established source indicating that [ ]

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[ ] It is to be noted that the license of the Cabana Club was revoked for approximately a period of six months because of obscenity which was performed by female entertainers at the club at the time it was raided by Chicago police. According to the source [ ] is now apparently taking money from Pat Marcy and Louis Arger to keep him from initiating raids at the strip joints, however, according to the source Marcy and Arger are keeping a close watch on [ ] activities because they do not fully trust him.

(CG 6576-C\*)

According to an established source, during the middle of September, 1963, Louis Arger made a complaint to Pat Marcy because the 1st Ward policemen were making several

trips a night to strip joints and hurting business to a great extent. Arger complained to Marcy that he thought the police were being taken care of financially and he felt that his clubs were being discriminated against by the police since he had not received any reports that the police were checking the other strip joints as closely as they were checking his. (CG 6576-C\*)

Information was received in the latter part of September, 1963, from an established source that Louis Arger and Pat Marcy were highly concerned about the recent raids on the arcades which, as a prime source of their income, featured Parisian movies. The raids which took place on September 24, 1963, were conducted by the Cook County States Attorney's Police, at which time eight arcades along South State Street, one of which was the Paradise Arcade owned by Louis Arger, were raided and numerous rolls of obscene film and projectors on which the films were shown were confiscated by the police. According to the source Marcy was under the impression that the police could not raid the arcades because they had previously secured an injunction in about 1955 restraining the Chicago police from entering the establishment and seizing the machines and film. However, it is apparent that this injunction only applied to the Chicago police and not to the States Attorney's Police. (CG 6576-C\*)

Information was received from an established source during the latter part of September, 1963, that Pat Marcy was under the impression that the arcade raids conducted by the States Attorney's Police were initiated by the "G", which undoubtedly refers to the extensive investigation in Chicago's 1st District, specifically along South State Street, by FBI Agents, and to the strip joint activities which are under the control of Louis Arger or hoodlums Gus Alex and Frank Ferraro. FBI investigation in this area resulted in a series of articles written by Sandy Smith, "Sun-Times" Reporter, on an expose of these strip and clip joints in the Chicago Loop area. This information was also made available to [redacted] Chief Investigator for the States Attorney's Office, which dissemination was responsible

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for the above raids. According to the source, the arcade owners, including Arger, are suffering heavy financial loss each day that the establishments are closed down and also because of the confiscation of their machines and equipment, which are considered necessary to their operation and financial success. (CG 6576-C\*)

It was ascertained from an established source that


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UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois  
December 18, 1963

In Reply, Please Refer to  
File No. 92-1039

Title LOUIS ARGER

Character ANTI-RACKETEERING

Reference Reference is made to report of  
Special Agent [redacted]  
dated and captioned as above.

b6  
b7C

All sources (except any listed below) used in referenced communication have furnished reliable information in the past.



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to  
File No. 92-1039

Chicago, Illinois  
December 18, 1963

LOUIS ARGER  
ANTI-RACKETEERING

Reference is made to report of Special Agent  
[redacted] dated and captioned as above.

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CHARACTERIZATION OF INFORMANTS

Chicago T-1 are records from a government agency.

Chicago T-2 is a person connected with another  
government agency.

Chicago T-3 is an individual who through his  
employment is in a position to furnish information concerning  
the individuals who are engaged in entertainment occupations  
throughout various clubs in Chicago.

Chicago T-4 is a person who [redacted]  
[redacted] is in a position to furnish information regarding  
[redacted]

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Chicago T-5 is an individual who [redacted]  
[redacted] is in a position to furnish information regarding  
[redacted]

Chicago T-6 is an individual who [redacted]  
[redacted] can furnish information regarding the activities  
[redacted]

Chicago T-7 is an individual who can furnish infor-  
mation on a continuing basis concerning the activities and  
associates of ARGER and other Chicago hoodlums.

2-15-64

airtel

airmail

To: SAC, Chicago (92-1039)

From: Director, ~~FREC~~<sup>38</sup> (92-5794) - 16

Re: LOUIS ARGER, AKA  
AR

Reurairtel 2-12-64.

Fingerprints of captioned subject with FBI 694 430 and Chicago PD 37022 researched through Identification Division criminal files and no arrest record located other than that given in attached record.

Enclosures: (2)

CCO  
(5)

airtel mailed from Ident. Div. 2-15-64 cco

Tolson \_\_\_\_\_  
Belmont \_\_\_\_\_  
Mohr \_\_\_\_\_  
Casper \_\_\_\_\_  
Callahan \_\_\_\_\_  
Conrad \_\_\_\_\_  
DeLoach \_\_\_\_\_  
Evans \_\_\_\_\_  
Gale \_\_\_\_\_  
Rosen \_\_\_\_\_  
Sullivan \_\_\_\_\_  
Tavel \_\_\_\_\_  
Trotter \_\_\_\_\_  
Tele. Room \_\_\_\_\_  
Holmes \_\_\_\_\_  
Gandy \_\_\_\_\_

MAIL ROOM ☐ TELETYPE UNIT ☐

F B I

Date: 2/12/64

Transmit the following in \_\_\_\_\_  
(Type in plain text or code)

AIRTEL

Via \_\_\_\_\_  
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (92-5794)

ATTN: IDENTIFICATION  
DIVISION

FROM : SAC, CHICAGO (92-1039)

SUBJECT: LOUIS ARGER, aka  
AR

Subject was born in Tego, Tripolis, Greece, 5/10/07, arrived in United States 4/2/14, in New York City, naturalized 6/8/39, in Chicago. Subject born ELIAS ARGYROPOULAS had his name legally changed to LOUIS ARGER.

Investigation disclosed subject arrested by Chicago Police Department, 6/22/28, on a robbery charge, convicted and placed on 12 months probation under the name LOUIS/POULOS, Chicago Police Department No. 37922. Immigration and Naturalization Service is working toward revocation of citizenship as subject did not disclose arrest when naturalized.

Identification record for LOUIS ARGER previously obtained under FBI No. 694438.

Identification Division is requested to determine if arrest record for LOUIS POULOS in 1928 located in files and if so if supported by fingerprints and photograph.

3 - Bureau  
1 - Chicago

(4)

REC-38

92-5794-16

FEB 14 1964

C C Wick

Approved: \_\_\_\_\_

Special Agent in Charge

Sent \_\_\_\_\_

M

Per \_\_\_\_\_

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CG 92-1039

The "Chicago Sun Times" Final Edition of March 3, 1964, in an article by veteran crime reporter SANDY SMITH, the following information is set out under the caption "Daley Closes B-Girl Dive; 7 Others Still Open":

"Police Supt. Orlando W. Wilson told a meeting of his high-ranking officers Monday that he wanted to see B-girl clip cafes in the Central Police District closed.

"Mayor Daley padlocked one of the clip joints, but The Sun-Times found in a survey Monday night that seven others in the district were rolling merrily.

"Wilson said at a press conference earlier in the day that he had talked with 50 of his upper-echelon officers about the operations of the honky-tonks.

"I told them that I want to see these so-called 'strip joints' closed down,' Wilson declared.

"No order was issued calling for shutdowns, however.

"Capt. John Jemilo, watch commander of the Central District, said he had not received any directive or specific instructions from Wilson to close the B-girl dives. He added that he did not interpret Wilson's statement as an order.

CG 92-1039

"Jemilo, asked by The Sun-Times whether he needed a specific edict in the matter, said:

"'No, of course we don't need such an order to make an arrest at a place. But we must either have observed a violation ourselves or have a citizen who is ready and willing to sign a complaint charging a violation occurred and where, when and who was involved.

"'Then we are always ready to go in and make arrests. As far as closing down a place is concerned, that is not our job. But if we have evidence that violations are being committed anywhere, we will act.'

"Daley ordered the padlocking of a crime syndicate honky-tonk, the Star and Garter at 424 S. State, in the investigation of a Federal report on Chicago police corruption. The license of the club was revoked on charges, pending for the last five months, that a B-girl solicited a customer for prostitution and robbed him of \$131.

"All of the clip joints had been running full blast in the Central District where, according to the government report, policemen accepted payoffs from gangsters to ignore law violations in the cafes.

"The Sun-Times revealed on Feb. 23 that the Justice Department report named more than 20 Chicago policemen, one of whom works in the office of Wilson.

CG 92-1039

"An admission by Wilson that he had received the government report--he prefers to call it a memo--on police wrongdoing resulted in these other developments:

- "1 Wilson told his press conference:  
'If I could prove the allegations (in the federal report), there would be 20 less policemen in the department.'
- "2 It was revealed that the memo accused one of the 20, a policeman now working in Wilson's office, of accepting a \$300 payoff last year from two Cosa Nostra gangsters.  
  
"The memo charged that the mobsters, Joe (Caesar) DiVarco and Jimmy (The Monk) Allegretti, made the payoff in 1963 in a Near North Side cafe.
- "3 Another charge in the memo named two 1st District vice detectives, who were accused of taking payoffs to ignore crime syndicate dice games.  
  
"These police 'protection' payments allegedly came from a Cosa Nostra gangster, Frank (Skid) Caruso, it was disclosed. Caruso is the gambling boss in the south end of the 1st Ward.
- "4 Mayor Daley expressed 'great confidence' in Police Supt. Wilson. But the mayor added that the police department 'still needs improvement.'

CG 92-1039

"'As long as I am mayor of Chicago and as long as Wilson wants to be the superintendent of police, he shall be,' Daley said.

"Some of the charges in the government memo were disclosed on the fourth anniversary of Wilson's appointment as police superintendent.

"The police corruption report was prepared by Justice Department prosecutors on information furnished by such federal agencies as the Federal Bureau of Investigation, the Internal Revenue Service, the Federal Bureau of Narcotics, the Secret Service, and the Alcohol and Tobacco Tax Unit.

#### "5 Days Of Denial

"For five days last week, Wilson denied that the memo existed. Finally, on a television panel show early Sunday, he admitted that he had read the memo and ordered Deputy Police Supt. Joseph Morris to investigate it.

"At his press conference Monday, Wilson asserted:

"'The memo is nothing but allegations and hearsay. There is no evidence of any wrongdoing on the part of any policemen.'

"Then he added:

CG 92-1039

"'If I could prove the allegations there would be 20 less policemen in the department.'

"Wilson followed that by disclosing his desire to close the B-girl cafes, some of which return the crime syndicate an estimated net profit of \$20,000 a week.

"Wilson said: 'Many of these joints have had their licenses revoked. I don't know how they (the operators) got them back but I do know the license revocations can be appealed.'

"Wilson did not make clear whether he was criticizing the decision of the Illinois Liquor License Appeal Commission, to which such license revocations are appealed.

"Assessing his four years as police superintendent, Wilson said:

"'I think we have made progress. I would grade my command personnel B-plus. I would not like to grade myself because I don't think I could be objective enough.

"'During my fifth year as superintendent, we shall continue to better the image of the Chicago policeman.'

"'Nothing New'

"Deputy Police Supt. Morris refused to reveal the allegations in the government memo or how he was going to conduct an inquiry into the charges.

CG 92-1039

"He declared, however, that there was 'nothing new' in the corruption report.

"'This is nothing new in any sense,' Morris said. 'I've gotten similar information in different forms many times in the past years. Police Supt. Wilson knew what I knew about some of these things as long as two years ago.'

#### "Operating Wide Open

"It was last Friday, Wilson indicated on the television show, that he finally got his hands on the corruption memo that he requested from the Justice Department in March, 1963.

"On Friday night, a survey by Sun-Times reporters showed that the eight strip-tease and B-girl clubs were operating wide open in the Central District, which covers the Loop.

"The B-girl dives were the Chez Dot, the Club Rouge, the Star and Garter, the Holiday Show Lounge, the Crossroads, Eddie Foy's Club, the Cabana Club and the Show Boat.

"All of the clubs are controlled for the Cosa Nostra crime syndicate by three gangsters, Gus (Slim) Alex, Louie Arger and Louie Tornabene."

The "Chicago's American" Green Streak Edition of March 3, 1964, in an article entitled, "10 Strip Joints Face 'Heat'" by DON SULLIVAN, sets out in part the following information:

CG 92-1039

"Ten strip tease joints remain to be closed by police Supt. O. W. Wilson. If he can do this, he outstrips Billy Sunday.

"The last 10 strip joints are:

"LOOP AREA--Showboat tavern, 701 S. State st.; Holiday Show Lounge, 438 S. State st.; Crossroads Cocktail lounge, Inc., 400 S. State st.; Club Rouge, 56 W. Randolph st.; Cabana Club, Inc., 517 S. Wabash av.; Eddie Foy's lounge, 754 S. Wabash av.; Chez Dot (also known as the Chez Parisian), 636 S. Wabash av., and the 606 Club, 606 S. Wabash av.

"Mayor Daley, who is also Chicago's liquor commissioner, Monday revoked three liquor licenses, including one for a Loop spot. He suspended the licenses of three others.

"The Star and Garter, 424 S. State st., lost its license after police reported B-girls soliciting for drinks and prostitution, and one customer robbed.

#### "Secret Report

"Here, from a confidential report made to Supt. Wilson a month ago, and on the strength of which Wilson has ordered a major offensive against the clip joints, are the facts:

CG 92-1039

"In the years from 1961 thru 1963, as many as 26 B-girl strip tease joints operated in Chicago. Police are virtually certain the crime syndicate operates every one of them.

"Here's the record since Jan. 1, 1961, on police activities in the eight clip joints still surviving in or near the Loop:

"The Showboat tavern, whose liquor licensee is Irwin Davies, has been raided six times, and its license has been revoked once, but reinstated on appeal before the Illinois Liquor License Appeals commission. The chairman is Howard S. Cartwright, who also is chairman of the Illinois Liquor License Control commission.

#### "Raided 5 Times

"The Holiday Show lounge, Nicholas Scro as licensee, has been raided five times, has been suspended twice, has closed voluntarily once when faced with a full hearing, and faces a pending revocation hearing.

"Despite persistent reports that two former Chicago policemen are employed as spotters, the Crossroads has been raided five times. Its licensee is Crossroads, Inc., whose president is William Fishman. Its license was revoked in 1961, only to be restored after a Superior court appeal.



CG 92-1039

"The Club Rouge faces a license revocation hearing. It has been raided twice, and its licensee is the Red Garter Music Hall, Inc., with Spero Palladino listed as president.

"Chez Dot has been raided four times. Its licensee is Alex Makaropolos.

CG T-4 advised in January, 1964, that he had learned LOUIS ARGER took over completely the management of the Chez Dot during January, 1964. He said that for the past several months, a person named [redacted] has [redacted] the Chez Dot but was unable to operate it to the satisfaction of the Chicago hoodlums and ARGER was given complete control probably by GUS ALEX.

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CG T-5 advised in February, 1964, that a girl who used to operate at the Follies on South State Street in Chicago stated that LOUIE ARGER is a good business man even though he is connected with the rackets in his strip show operations.



*In Reply, Please Refer to  
File No.*

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois  
March 12, 1964

Title                    LOUIS ARGER

Character                ANTI-RACKETEERING

Reference                Report of Special Agent John H.  
Wilmes, dated and captioned as  
above.

All sources (except any listed below) whose identities  
are concealed in referenced communication have furnished reliable  
information in the past.



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois

March 12, 1964

In Reply, Please Refer to  
File No.

LOUIS ARGER,  
Also Known As  
ANTI-RACKETEERING

Reference is made to the report of Special Agent John H. Wilmes at Chicago, dated and captioned as above.

CHARACTERIZATION OF INFORMANTS

Chicago T-1 is another Government agency.

Chicago T-2 is an individual acquainted with Arger and other Chicago hoodlums and, therefore, in a position to furnish information regarding Arger's activities.

Chicago T-3 is familiar with hoodlum activities in Chicago and furnishes information on a continuing basis.

Chicago T-4, because of his business activity, is able to furnish information regarding Arger and his activities.

Chicago T-5 is personally acquainted with Arger and able to furnish information regarding his activities and operations on South State Street in Chicago.

This document contains neither recommendations nor conclusions of the Federal Bureau of Investigation. It is the property of the Federal Bureau of Investigation and is loaned to your agency; it and its contents are not to be distributed outside your agency.



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to  
File No.

Chicago, Illinois  
March 12, 1964

LOUIS ARGER,  
Also Known As  
ANTI-RACKETEERING

Information was received in January, 1964, from an established source, that Louis Arger, [redacted] and one [redacted] had been told by Pat Marcy that they would get back all projectors and film that was not obscene which was confiscated in September, 1963, by States Attorney's Police of Cook County. They were told not to argue about what they got back, because they had the guy up there in the court and he would do the best he could without tying the thing up in court for a year and a half or two years. The important thing was to get back the machines and the titles protected by injunction against raids by the Chicago Police Department, and then try and get an injunction protecting the joints from raids by States Attorney's Police. They were told that if they had gotten one of the other judges at 26th and California, they might have received jail sentences.

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The source indicated that Louis Arger was very dense and could not grasp the idea that he should settle for what he could get back from the court and resume business instead of losing out for a long period of time. Arger also could not understand why he should be held accountable for obscene film confiscated from the basement of one of the joints that were raided even though it was not actually being used.

In February, 1964, an established source advised that Louis Arger stated the case against the Star and Garter was disposed of through Judge Jones, although he

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893 JUN 7 1972

RE: LOUIS ARGER

had not gotten back all of his film. Arger was very critical of a police officer named [ ] for taking money and then continuing to make raids and arrests at the strip joints.

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Date 3/23/641.

On March 11, 1964, [redacted] advised that she resides at [redacted] and from time to time is employed as a [redacted] in Chicago and elsewhere. She furnished the following information:

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She is [redacted] was born in [redacted] and [redacted] She formerly was [redacted]

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[redacted]

A man named [redacted] (LNU) was the [redacted] the

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[redacted]

She knows a man named LOUIS ARGER as a person who frequents the Star and Garter, but she does not know what his connection is as far as ownership or operation of the place is concerned. She does not know of any connections between ARGER and organized crime in Chicago. Any information obtained in the future will be furnished to the FBI.

On 3/11/64 at Chicago, Illinois File # CG 92-1039

by SAs EUGENE I. SATHER and Date dictated 3/17/64  
JOHN H. WILLIES/LJD

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

On March 16, 1964, Lieutenant [redacted] Chicago Police Department, advised [redacted] that in January, 1964, one [redacted] advised the Chicago Police Department that he was part of a syndicate controlled hi-jacking ring that LOUIS ARGER and others as backers. No further investigation of [redacted] claim was made by the Chicago Police Department. Subsequent attempts to locate [redacted] have been made with negative results.

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The following investigation was conducted by SAs PETROS A. KOTSOS and [redacted]

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On March 2, 1964, a white male, age 35 - 40, 6'-6'2", 190 pounds, dark brown wavy hair, wearing a black leather hip-length jacket and dark slacks was observed leaving the Star and Garter Strip Show Club in the 400 Block on South State Street. He walked south on State Street, and conversed with two other white males in front of the Painted Lady Restaurant. He then pointed to an automobile bearing 1964 Illinois License [redacted] which was illegally parked on the west side of State Street. Thereafter, one of the two persons he conversed with entered the above described car and backed it up to a position approximately in front of the Star and Garter. This automobile was observed to have two Illinois Police Association (IPA) stickers for 1963 and 1964 with Identification Number [redacted]

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On March 2, 1964 [redacted] of the IPA, advised IPA Sticker [redacted] was issued to [redacted] [redacted] is assigned to Area 1, Robbery, of the Chicago Police Department.

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### III. ACTIVITIES

On March 3, 1964, a spot surveillance was conducted in the vicinity of 6128 North Keating in Chicago, at which time the following automobiles were observed parked adjacent to the above address. The subscribers to the license numbers on these automobiles were determined through records of the Division of Motor Vehicles, for the State of Illinois:

CG 92-1039

License Number

Subscriber

Not in file

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On March 5, 1964, LOUIS ARGER was picked up at his residence by a white male, approximately thirty years of age, who was driving a 1963 Buick with 1964 Illinois License [REDACTED]. They departed from ARGER's residence approximately 2:20 P.M., where they proceeded to Edens Expressway and then to Diversey Parkway where they drove to 622 Diversey Parkway and entered the building. A short time later, they came out of this address and entered a Walgreen's Drugstore on the northeast corner of Clark and Diversey. When they came out of the drugstore, they then proceeded to the vicinity of 400 South State Street, where they entered the Star and Garter. In front of the Star and Garter was noted an automobile bearing 1964 Illinois License [REDACTED].

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On March 6, 1964, LOUIS ARGER was observed in front of his residence conversing with a Negro male who had driven up in a pick-up truck which belonged to the Henry Susk Pontiac Agency. At ARGER's direction, this man went to ARGER's garage and backed out the only car in the garage, a 1960 white Pontiac. He then proceeded to put 1964 Illinois License [REDACTED] on the white Pontiac. At approximately 2:30 P.M., a white male, who appeared to be the same person that picked up ARGER on March 5, 1964, drove up in a 1962 Pontiac Convertible with 1964 Illinois License [REDACTED]. They proceeded via Edens Expressway to the Chicago Loop area, where they parked the convertible at a parking lot in the 400 Block of Plymouth Court just north of the First Loop Garage. They then proceeded to the Crossroads Restuarant at 400 South State Street.

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CG 92-1039

The "Chicago Sun-Times" for March 2, 1964, contained an article on Page 1, by Veteran Crime Reporter SANDY SMITH captioned, "Find B-Girl Joints Boom Despite Report", which reads as follows:

"Police Supt. Orlando W. Wilson confirmed Sunday that the U.S. government had assembled a Chicago police corruption memo disclosed by The Sun-Times.

"It was the first time that Wilson admitted the existence of the long-secret memo, or report, that names more than 20 Chicago policemen, one of whom works in Wilson's office.

"Wilson also disclosed that he had asked for the Justice Department memo and read it.

#### "Orders Probe

"He added that he had ordered Deputy Police Supt. Joseph Morris to investigate the charges it contained--that policemen harvested payoffs, from B-girl clubs in the 1st District which covers the Loop.

"So far, police officials have been unable to substantiate the allegations in the report, Wilson told questioners on the television program Kup's Show.

"The police department investigation of the government's police corruption information proceeded amid these developments:

"1 A survey by The Sun-Times showed that eight B-girl clubs were running wide open in the 1st District where, according to the federal report, the dives are protected by a police 'fix.'

"Cosa Nostra gangsters control all of the eight clip-joints reporters found going full blast.

CG 92-1039

"2 It was disclosed that the federal corruption memo charged that the policeman working in Wilson's office had conferred with Cosa Nostra gangsters in a Near North Side cafe."

The "Chicago Sun-Times" for March 11, 1964, contained an article on Page 4, by Reporter PETER DEUEL, captioned, "Plan To Close Peep Shows", which reads as follows:

"A proposed ordinance that could eliminate a stumbling block in the city's attempts to shutter S. State Street peep show arcades was introduced Tuesday in the City Council.

"Corporation Counsel John C. Melaniphy said the measure, which would amend the section of the municipal code covering motion pictures, would enable the police department to review and reissue permits for all of the girlie movies in the arcades.

"Last September state's attorney's police raided eight arcades and confiscated 6,264 reels of 3-minute films they said were obscene.

"Once Approved

"The charges were thrown out of court, however, because the titles under which the film strips were shown had been approved years ago by a censor who since has died.

"Police had charged that although the titles remained the same from year to year, movies which had not been inspected were substituted for the original films.

"Arcade owners argued that since the code does not require annual inspections it was impossible for a movie OK'd by censors to be obscene.

CG 92-1039

"Melaniphy said he believed the amendment would eliminate this practice. The measure calls for annual review by censors and for a yearly inspection fee of \$3 for each 1,000 feet of film on originals and \$1 a year for each 1,000 feet of copies.

#### "Arger Operation

"Control of the arcades has been in the hands of Louie Arger, known as the mayor of South State Street, who also operates several of the strip-tease and B-girl joints in the honky-tonk area just south of the Loop.

"Melaniphy also moved on the B-girl problem. He offered an amendment which would prohibit solicitation of drinks by any female in a tavern. That proposal was sent to the Committee on Police along with the movie amendment.

"Police have been stymied by a section of the law which permits revocation of liquor licenses only if it can be proved that the owner of a tavern or his agents permitted girls to solicit drinks. The solicitation itself is not illegal."

The "Chicago Tribune" for March 8, 1964, contained an article captioned, "Police Raid 4 Night Spots on Near So. Side". The contents of this article are as follows:

"Four near south side night spots were raided by police yesterday--three for violating a law requiring an unobstructed view of the interior and the fourth for failure to have a cigaret vending license.

"Vice detectives said their view of the interior was obstructed at the Chez Dot, 636 S. Wabash av.; Eddie Foy's lounge, 754 S. Wabash av.; and the Holiday Show lounge, 433 S. State st. At the Showboat lounge, 701 S. State st., they said the license was missing.

"Three Clubs Left Open

"The raids came in the wake of a crackdown by police on night clubs and strip tease joints thruout Chicago. The detectives ordered removal of the obstructions--consisting of large posters, signs, or drapes. Satisfied that the ordinance was being complied with, the detectives left without closing the clubs.

"Summonses were given to those who identified themselves as the managers. They are Harry Marcus, 50, of 5009 Sheridan rd., the Chez Dot; Robert Tornabeni, 26, of 9417 Racine av., in Eddie Foy's; John Pettas, 34, of 1314 E. 79th st., in the Holiday; and Irwin Davies, 40, of 5627 N. Talman av., in the Showboat lounge. All will appear April 1 in License court.

"Law Voted in 1941

"The anti-obstruction law was adopted by the state legislature in 1941. It requires owners and operators of businesses in which alcoholic beverages are served to permit a clear view of the interior from the outside.

"Meanwhile, a proposal for a new ordinance aimed at preventing B-girls from cadging drinks is expected to be introduced in the City council on Tuesday. It was drawn by Ruth Nelson, and assistant corporation counsel, at the request of Supt. Orlando W. Wilson."

The "Chicago Daily News" dated March 9, 1964, on Page 34, contained the following article captioned, "Excise Tax Suit Closes Cabana Club":

"Internal Revenue agents Monday seized the Cabana Club, 517 S. Wabash, one of the Loop's flourishing B-girl joints, for failure to pay \$162,000 in federal excise taxes.

"The Cabana Club is operated by Louis Arger, 56, a cousin of the syndicate's Loop boss, Gus Alex.

CG 92-1039

"Agents said the seizure was made for excise taxes levied in 1962 which date back to 1946. Agents padlocked the club, and said it would be closed until the tax assessment either was paid or set aside.

"The seizure was part of the current drive by the Organized Crime unit of the U.S. Attorney's office against hidden ownership and illegal operation of saloons by the crime syndicate."

The "Chicago Tribune" dated March 12, 1964, contained an article on Page 1, captioned, "Strip Secrets Bared: Blackjacks and Gun", which reads as follows:

"The secrets of the strip tease trade, usually hidden behind a facade of spotlights, cigaret smoke, loud music, and twitching dancers, were bared by government tax agents yesterday.

"During an inventory of furnishings and other property seized for nonpayment of cabaret taxes by the Cabana club, 517 S. Wabash av., internal revenue agents compiled the following items:

- "1. Three blackjacks.
- "2. A .22 caliber pistol, with ammunition.
- "3. A quantity of whisky bottles with the contents well-watered down.
- "4. Scanty dance costumes.
- "5. A total of \$5,200 in cash, and \$1,233 in checks.

"The Cabana club was padlocked by federal agents Monday for failing to pay \$180,153 in cabaret taxes between Jan. 1, 1956, when the Strip joint opened its doors, and Sept. 1, 1962.

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"John F. Cashen Jr., deputy city liquor commissioner, will hear charges against the Cabana club today.

"Eugene C. Coyle, district director of the revenue service, said his agents drilled open a safe in the bar yesterday when the owner, John Spoudeas, 330 Oak Lawn av., Elmhurst, refused to open it.

"In the safe they found \$4,500, plus the pistol and several rounds of ammunition.

"The blackjacks were behind the bar as was the watered whisky.

"Another \$700 was found in two cash registers and three cigar boxes. Also found was \$83 in personal checks from patrons, plus \$1,200 in American Express Travelers checks.

"The club furnishings will be auctioned by the government at the club March 24. Agents were careful to drill rather than blow open the safe so that it can be auctioned too.

"The pistol and blackjacks will be turned over to the revenue service's intelligence unit for routine investigation, Coyle said.

"The scanty dance costumes and other personal items of the performers will be returned to their owners, Coyle said."

The "Chicago Daily News" dated March 21, 1964, on page 12, contained an article captioned, "U.S. Agents Close Down Another B-Girl Joint", which indicates the following:

"Internal Revenue agents shut down Eddie Foy's Show Lounge, 754 S. Wabash, for failure to pay \$22,536 in back taxes.

"The club was the second B-girl joint to be padlocked by IRS agents this month.

CG 92-1039

"Six clubs are still operating, allegedly with crime syndicate backing.

"EVAN S. Lloyd, acting Chicago district IRS chief, identified the owners of Eddie Foy's as Joseph C. Gofreda and Anthony J. Tornabeni.

"Lloyd said the owners have failed to act on employment and excise tax liens dating back to 1959. The club's assets will be auctioned off at a date to be announced, Lloyd said.

"On March 9, IRS agents closed down the Cabana Club, 517 S. Wabash, for failure to pay more than \$180,000 in excise taxes."

The "Chicago Sun-Times" dated March 27, 1964, contained an article on page 5, captioned, "City Bags Its First 'Untouchable'". This article contained the following information:

"A third 'untouchable' clip joint was closed and a burlesque theater raided Thursday in a crackdown on vice in the Central Police District.

"The actions followed a Sun-Times expose of vice in the strip of honky-tonks, penny arcades and burlesque shows reputedly ruled by Louie Arger, a crime syndicate gangster. Arger calls himself the 'mayor' of S. State St.

"Eight B-girl dives in the Central District gained notoriety as 'untouchables' because they remained open during the investigation of a Justice Department report on police corruption. The report charged that the eight dives were protected by a police 'fix'.

#### "Solicitation Charged

"The license of the Crossroads Show Lounge, 400 S. State, was revoked by Mayor Daley Thursday on the charge that B-girls solicited for prostitution. The license was held by William (Curly) Fishman, a pal of Arger.

CG 92-1039

"It was the first time in the recent vice expose that the city had been able to close one of the 'untouchables.' Two others--the Cabana Club, 517 S. Wabash, and Eddy Foy's Club, 754 S. Wabash--were padlocked by the Internal Revenue Service for unpaid cabaret taxes.

"The five other 'untouchable' cafes still are open.

#### "7 Dancers Seized

"Central District police swooped down Thursday on the burlesque house, the Follies at 450 S. State, to seize seven strip-tease dancers and three men.

"Detectives said they stopped the show and made the arrests after a dancer Sandra Swanson, 19 of 4441 N. Springfield, gave a lewd performance. She was charged with obscenity and public indecency and ordered to appear in court on April 21.

The mayor also revoked the licenses of three other taverns for liquor law violations. These were the Lamplighter Lounge, 16 E. Huron; the Green Onion, 1300 W. Madison, and the Astro-Jet Lounge, 5448 S. Pulaski."



## FEDERAL BUREAU OF INVESTIGATION

1

Date 3/12/64

[redacted] advised she is [redacted]  
years of age and resides at [redacted] in  
[redacted] She furnished the following information:

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On 3/5/64 at Chicago, Illinois File # CG 92-1039

by SAs JOHN H. WILMES and [redacted] Date dictated 3/9/64

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UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois  
April 28, 1964

*In Reply, Please Refer to  
File No.*

Title	LOUIS ARGER
Character	ANTI-RACKETEERING
Reference	Report of Special Agent John H. Wilmes, dated and captioned as above.

All sources (except any listed below) whose identities are concealed in referenced communication have furnished reliable information in the past.



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

*In Reply, Please Refer to  
File No.*

Chicago, Illinois  
April 28, 1964

LOUIS ARGER,  
Also Known As  
ANTI-RACKETEERING

Reference is made to the report of Special Agent John H. Wilmes at Chicago, dated and captioned as above.

CHARACTERIZATION OF INFORMANTS

Chicago T-1 is another Government agency.

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## FEDERAL BUREAU OF INVESTIGATION

1

Date 4/17/64

[redacted] advised she resides  
[redacted] telephone number  
[redacted] She resides in [redacted]  
[redacted]  
[redacted]  
[redacted]  
[redacted]

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While [redacted] at the [redacted]  
was [redacted]  
she has never known any hoodlums to hang out at that  
club. To her knowledge there was no soliciting on the  
part of the dancers who were employed at the Aloha  
Club. She does not know of any connection between the  
operators of the Aloha Club and the hoodlum element in  
Chicago. She is not acquainted with LOUIE ARGER.

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On 4/10/64 at Chicago, Illinois File # CG 92-1039  
SAs JOHN H. WILMES and

by [redacted] Date dictated 4/15/64

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CG T-6 advised in May, 1964, that LOUIS ARGER owns outright, the Cabana, Chez Dot, and either the Holiday or Star and Garter strip shows.

The April 30, 1964, final edition of the "Chicago American" contained an article captioned, "Daley Revolks License of Loop Strip Joint", which is as follows:

"Mayor Daley Thursday revoked the liquor license of the Club Rouge, a basement strip joint at 56 W. Randolph St.

"Jack Mabley, Chicago's American columnist, exposed the manner of the Club's operation in an article last Monday.

"Daley acted on the recommendation of John F. Cashen Jr., deputy liquor control, commissioner, who conducted a 2-day hearing on the charge that the Club's location prevents an unobstructed view from the street.

"The corporate name of the club is Red Garter Music Hall, Inc., and the licensee is the president, Spero Palladino, of 5129 N. Springfield.

"The club contended that it is a restaurant as well as a bar and because of serving food is not subject to the requirement of being visible from the street. The city contended that very little food, if any, was served and that the kitchen actually is that of an adjoining restaurant."

The final edition of "Chicago American" for May 29, 1964, contained an article on page 3 captioned, "Crossroads Reopens--and Who's on First?" which contains the following:

"Who is calling the signals at the Crossroads restaurant?

"Until Mayor Daley revoked the liquor license of the mob-dominated B-girl joint at 400 S. State st. in March, William Fishman was considered the boss.

"When it reopened Wednesday, the city food license was in the name of Stanley Ogradny, 53, of 1347 Chase av.--Fishman's former cook.

"A reporter for the 'Chicago American' phoned the Crossroads early Friday. A watchman answered and said:

'Yeah, we opened Wednesday. Mr. Fishman was here all day Thursday, but he's gone home now. I expect he'll be here today again.'

"He was asked what the restaurant was serving.

'Well, so far, only food.'

"Who is in charge of the food?'

'Stanley.'

'How late are you open?'

'We ran to only about 9 o'clock Thursday night.'

#### Permit to Ogradny

"The food permit was issued to Ogradny (the phone directory lists him as O'Gradney) despite a police vice control division report describing his application as a subterfuge.

"The report, by Walter Maurovich, division director, said Ogradny was Fishman's 'cook and carver' and put up \$2,000 to open the place.

'He is unable to show proof of his statement', the police report said. 'In view of the fact that the applicant cannot show financial stability, this indicates he is a subterfuge for person or persons unknown.'

'I recommend that his application be disapproved.'

"The report went to City Collector William Prendergast. The application went to James G. O'Donohue, first assistant corporation counsel and a relative by marriage to the mayor.

"O'Donohue approved issuance of a food license, saying he found Ogradny financially 'in pretty good shape . . . better shape than most people.'

"No liquor can be sold under terms of the license. But Fishman is appealing Daley's March 27 revocation of his liquor license.

"Fishman and the Crossroads are familiar to followers of syndicate crime.



"In 1938 Fishman was arrested for operating a bookie joint in the rear of a cigar store at 67 W. Monroe st. He told state's attorney's police he had been in business 2 years.

Named Showboat Owner

"Fishman was named as owner of the Showboat Lounge, 701 S. State st., in a 1942 B-girl raid.

"In 1955 the Crossroads made news when a gunman in an auto fired four pistol shots thru the front window. Fishman identified himself as manager and said he knew no cause for the shooting.

"By 1957 the Crossroads, with Fishman calling himself owner, was making a name for itself as a steak house.

"Two years later Mayor Daley shut the Crossroads after police charged a bartender allowed a woman to solicit them for drinks and prostitution.

"The lights were not out long. Reporters found B-girls back in action by fall of 1960. Three women were charged with being inmates of a disorderly house.

"Six months later the story was the same.

"Fishman lost the Crossroads' liquor license again this spring on charges involving lewdness, indecency, and soliciting for prostitution."

The 'Chicago Tribune' for May 30, 1964, on page 9 of the 3-Star Sports Final contained an article captioned, "Daley Blocks Food License", which is as follows:

"Mayor Daley yesterday rescinded issuance of a food dispensing license to the Crossroads, a recently closed night club at 400 S. State st.

"Daley overruled James G. O'Donohue, first assistant city corporation counsel, who granted

CG 92-1039

the establishment a food license just two months after Daley had revoked the Crossroads' liquor license in a police crackdown on Loop B-girl and strip tease establishments.

"The mayor said he took yesterday's action because the liquor license revocation is now on appeal in the Circuit court, and he believes there should be further investigation of the applicant for the food license. He is identified as Stanley Ogradny, 53, of 1347 Chase av., a former cook."

Date 6/10/641.

[redacted] advised she resides at [redacted] and was born [redacted]. She is married to [redacted] where the telephone number is [redacted].

b6  
b7C

During 1963, [redacted]

There were 8 or 10 girls at the Chess Det, and each would dance five to ten times a night. The rest of the girls would "mix rough" with the customers when they weren't dancing. [redacted]

b6  
b7C

She did not recall the name of the manager of the Chess Det, and on viewing a picture of LOUIE ANGELO said she had seen him once or twice at the Chess Det but did not know what, if any, connection he had with the place.

The only other [redacted] she knows is [redacted] who still dances at some of the strip joints on South State Street. She knew [redacted] when both of them were practicing legitimate dances in Puerto Rico. She has no information regarding other strip joints in Chicago.

b6  
b7C

On 6/4/64 at Chicago, Illinois File # CG 92-1030

by SA's JOHN H. WILKES, [redacted] dated 6/10/64

b6  
b7C



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois  
July 28, 1964

In Reply, Please Refer to  
File No. 92-1039

Title      LOUIS ARGER

Character   ANTI-RACKETEERING

Reference   Report of Special Agent John H.  
              Wilmes, dated and captioned as  
              above.

All sources (except any listed below) whose identities are concealed in referenced communication have furnished reliable information in the past.



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

*In Reply, Please Refer to*

File No. 92-1039

Chicago, Illinois  
July 28, 1964

LOUIS ARGER  
ALSO KNOWN AS  
ANTI-RACKETEERING

Reference is made to the report of Special Agent John H. Wilmes at Chicago, dated and captioned as above.

CHARACTERIZATION OF INFORMANTS

Chicago T-1 is an individual acquainted with Arger and other Chicago hoodlums and, therefore, in a position to furnish information regarding Arger's activities.

Chicago T-2 is another government agency.

Chicago T-3 is familiar with hoodlum activities in Chicago and furnishes information on a continuing basis.

Chicago T-4, because of his business activities, is able to furnish information regarding Arger and his activities.

Chicago T-5 is [redacted] able to furnish information regarding his activities in Chicago.

b7D

Chicago T-6 is familiar with business activities and associates of Louis Arger.

This document contains neither recommendations nor conclusions of the Federal Bureau of Investigation. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.



In Reply, Please Refer to  
File No.

92-1039

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois  
October 26, 1964

Title	LOUIS ARGER
Character	ANTI-RACKETEERING
Reference	Report of Special Agent John H. Wilmes, dated and captioned as above.

All sources (except any listed below) whose identities are concealed in referenced communication have furnished reliable information in the past.



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois  
October 26, 1964

In Reply, Please Refer to  
File No. 92-1039

LOUIS ARGER  
ALSO KNOWN AS  
ANTI-RACKETEERING

Reference is made to the report of Special Agent John H. Wilmes at Chicago, dated and captioned as above.

CHARACTERIZATION OF INFORMANTS

Chicago T-1 is the records of another government agency.

Chicago T-2 is an individual who because of his business activities is able to furnish information regarding Arger, his activities, and associates.

Chicago T-3 is familiar with hoodlum activities in the Chicago area and furnishes information on a continuing basis.

This document contains neither recommendations nor conclusions of the Federal Bureau of Investigation. It is the property of the Federal Bureau of Investigation and is loaned to your agency; it and its contents are not to be distributed outside your agency.



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION  
Chicago, Illinois  
January 19, 1965

*In Reply, Please Refer to  
File No.*

Title	LOUIS ARGER
Character	ANTI-RACKETEERING
Reference	Report of Special Agent John H. Wilmes, dated and captioned as above.

All sources (except any listed below) whose identities are concealed in referenced communication have furnished reliable information in the past.





In Reply, Please Refer to  
File No.

UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION  
Chicago, Illinois  
January 19, 1965

LOUIS ARGER  
ALSO KNOWN AS  
ANTI-RACKETEERING

Reference is made to the report of Special Agent John H. Wilmes at Chicago, dated and captioned as above.

CHARACTERIZATION OF INFORMANTS

Chicago T-1 is the records of another government agency.

Chicago T-2 is an individual who, because of his business activities, is able to furnish information regarding Arger, his activities, and associates.

Chicago T-3 is familiar with hoodlum activities in the Chicago area and furnishes information on a continuing basis.

Chicago T-4 is familiar with hoodlum activities in the strip show area in downtown Chicago.

Chicago T-5 has knowledge of persons connected with the Chicago strip shows because of his employment.

Chicago T-6 is [REDACTED] and able to furnish information regarding his activities in Chicago.

b7D

This document contains neither recommendations nor conclusions of the Federal Bureau of Investigation. It is the property of the Federal Bureau of Investigation and is loaned to your agency; it and its contents are not to be distributed outside your agency.

## FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE <b>CHICAGO</b>	OFFICE OF ORIGIN <b>CHICAGO</b>	DATE <b>4/1/65</b>	INVESTIGATIVE PERIOD <b>1/20/65 - 3/26/65</b>
TITLE OF CASE <b>LOUIS ARGER, aka.</b>		REPORT MADE BY <b>SA JOHN H. WILMES</b>	TYPED BY <b>mlb</b>
		CHARACTER OF CASE  <b>AR</b>	

REFERENCE: Report of SA JOHN H. WILMES dated 1/19/65 at Chicago.

- P -

ENCLOSURES

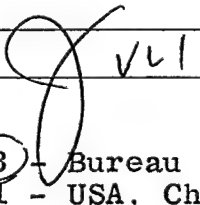
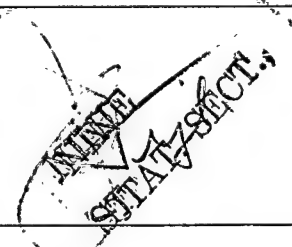
TO BUREAU

Enclosed herewith are two (2) copies of a letterhead memorandum setting forth characterization of informants used in this report.

LEAD

CHICAGO

AT CHICAGO, ILLINOIS. Will conduct and report investigation regarding activities and associates of the subject.

APPROVED 	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE:  3 - Bureau (92-5794) 1 - USA, Chicago 2 - Chicago (92-1039)		92-5794-22 16 APR 5 1965 REC-23 EX-109	
Dissemination Record of Attached Report		Notations	
Agency			
Request Recd.	1-10-4-22-65		
Date Fwd.	1-18-10		
How Fwd.			
By			

CG 92-1039

ADMINISTRATIVE

A lead was previously set out for the Los Angeles Office to determine background information regarding the [ ] brothers, who were reportedly visited by ARGER during the latter part of 1964 and who are in debt to ARGER.

b6  
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By letter dated February 23, 1965, the Los Angeles Office advised that there was no reference in the indices of that office regarding the [ ] and that no information was developed from informants regarding them.

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A reliable informant advised in January and February, 1965 that ARGER recently entered into a business deal with [ ]

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[ ] is the leasee of record and will front in the ownership of the store. The store is presently being remodeled and was formerly known as the Reliance Men's Store. This store will feature risque paperback books and will surreptitiously sell French pictures.

b7D

INFORMANTS

CG T-1 is [ ] contacted December 24, 1964 by SA JOSEPH G. SHEA.

b7D

CG T-2 is [ ] contacted January 20, 1965 by SA WILLIAM L. HERRMANN.

- B -  
COVER PAGE

CG 92-1039

CG T-3 is [redacted] contacted January 22, 1965  
by SA JOSEPH G. SHEA.

b6  
b7C  
b7D

CG T-4 is [redacted] contacted December 31, 1964  
by SA [redacted]

CG T-5 is [redacted] (by request)  
contacted January 13, 1965 by SAs JOHN H. WILMES and [redacted]  
[redacted]

CG T-6 is [redacted] contacted January 15, 1965  
by SA JOSEPH G. SHEA.

- C\* -  
COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago

Report of: SA JOHN H. WILMES  
Date: April 1, 1965

Office: CHICAGO

Field Office File #: 92-1039

Bureau File #: 92-5794

Title: LOUIS ARGER

Character: ANTI-RACKETEERING

Synopsis:

LOUIS ARGER resides at 6128 North Keating  
in Chicago, Illinois. ARGER appears to be in good  
health. [REDACTED]

[REDACTED]  
[REDACTED] Current Chicago Police Department  
records set out. [REDACTED]

b7D

*Illinois* [REDACTED]  
[REDACTED] ARGER desires to  
sell residence and move to the Outer Drive.. East,  
recently constructed high-rise apartment building  
on Chicago's lake front. . . SUBJECT BEING LISTED AS  
ARMED AND DANGEROUS [REDACTED]  
[REDACTED]

b6  
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- P -

CG 92-1039

DETAILS:

CG T-1 advised in January 1965 that LOUIS ARGER

b7D

Subject is, therefore, being considered armed and dangerous.

I. BACKGROUND

Residence

On March 3, 1965, it was determined through observation that LOUIS ARGER resides at 6128 North Keating in the Sauganash section of Chicago, Illinois.

Status of Health

Since April, 1964 when he suffered a slight heart attack and was hospitalized, there has been no report of ARGER having any illness and he appears to be in good health.

Travel

CG T-1 advised in December, 1964 that LOUIS ARGER

CG T-2 advised in January, 1965 that LOUIS ARGER

CG 92-1039

Arrest Record

On January 19, 1965, the following arrest record for LOUIE ARGEROS was received from the Chicago Police Department under their number 37922. The FBI Number is indicated as 694438. This arrest record is as follows:

<u>Name and Address</u>	<u>C.B. No.</u>	<u>Date of Arrest</u>	<u>Arresting Officer and Dist.</u>	<u>Charge</u>	<u>Disposition</u>
LOUIS POULOS		Jun 13 28	Held to G.J. \$100000.	Robb. Judge	
			FINNEGAN Off. HARNEY & Co. 26th Dist.		
		Feb 6 29	Prob. 1 yr. Robb. Plea Glty. Judge		
			Rush.		
LOUIE ARGEROS		Mar 3 60	Sgt. [ ] 1st Dist.		b6
LOUISE ARGER	1312279	15 Jul 63	Adama 012 Inv. Asslt.		b7C
6128 N. Keating		18 Jul 63	DWP Judge MC CURRIE.		
6134 N. Keating	1452592	6 Feb. 64	Kunkel 1st dist.; Inmate house of		
			prost.		
		28 Feb 64	192-1 L.F.D. Judge JONES		

Language Ability

CG T-3 advised in January, 1965 that LOUIS ARGER speaks fluent Greek and frequently uses this language in giving telephone instructions to his confederates.

II. ACTIVITIES AND ASSOCIATES

CG T-1 advised in December, 1964 that LOUIS ARGER

CG T-4 advised in December, 1964 that LOUIS ARGER, strip show operator in Chicago's Loop area, was in Tennessee during the latter part of 1964, although specific purpose of this visit was not known.

CG T-5 advised in January, 1965 that specific information regarding strip show operations of LOUIS ARGER is not known. CG T-5 advised that girls who are members of the American Guild of Variety Artists (AGVA) are not in a position to help regarding this matter. Those who are former strippers do not know anything about current

CG 92-1039

operations and those who are current members of AGVA will not talk because of fear, financial loss and the outcome of former hearings held by Senate Committees that resulted in no slow down of the strip show operations. The head of AGVA is generally a legitimate person who is only a figure head although the Chicago local of AGVA is headed by an "outfit" man who is very tough with the girls. At one AGVA meeting a collection was taken up for a stripper who had been blinded by a group of drunken hoodlums. No one, not even the police, would do anything toward prosecuting persons responsible for the blindness although their identity was known by the management of the place where the girl worked and by the police. The blinded girl received a total of approximately \$500.00, from this collection. AGVA girls are reluctant to talk about such things as "rough mixing" and "B-drinks" inasmuch as they implicate themselves as well as the persons for whom they work and they feel that no good has ever come from information previously furnished by the girls.

b6  
b7C  
b7D

CG T-6 advised in January, 1965 that LOUIS ARGER's

[redacted]  
[redacted]  
[redacted] CG T-6 stated that it is ARGER's desire to sell his current residence and to obtain an apartment in Outer Drive East, a recently constructed high-rise apartment building on Chicago's lake front.

It was previously noted that 1964 Nevada license [redacted] was observed on a late model Pontiac parked near the area controlled by LOUIS ARGER in the 400 block on South State Street. The following investigation was conducted at Las Vegas, Nevada:

b6  
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Records available to the Las Vegas Office show that 1964 Nevada license [redacted] is for a 1957 Chevrolet registered to [redacted]  
[redacted]

b6  
b7C

Las Vegas directories show a [redacted] to reside at [redacted] and to have a business address of [redacted]  
[redacted]

b6  
b7C



CG 92-1039

b6  
b7C

A check of credit records show

Credit and criminal checks conducted at the Las Vegas Police Department and the Clark County, Nevada Sheriff's Office, were negative, as checked by Clerks  and  respectively.

b6  
b7C



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois  
April 1, 1965

*In Reply, Please Refer to  
File No.*

Title        LOUIS ARGER,  
              ALSO KNOWN AS

Character    ANTI-RACKETEERING

Reference    Report of Special Agent John H.  
              Wilmes dated and captioned as above.

All sources (except any listed below) whose identities are concealed in referenced communication have furnished reliable information in the past.



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to  
File No.

Chicago, Illinois  
April 1, 1965

LOUIS ARGER,  
ALSO KNOWN AS  
ANTI-RACKETEERING

Reference is made to report of Special  
Agent John H. Wilmes dated and captioned as above.

CHARACTERIZATION OF INFORMANTS

Chicago T-1 is an individual who because of  
his business activities is able to furnish information  
regarding Arger, his activities and associates.

Chicago T-2 is familiar with hoodlum activities  
in the strip show area of downtown Chicago.

Chicago T-3 is [redacted] b7D  
[redacted] and able to furnish information regarding his  
activities.

Chicago T-4 is able to furnish information  
regarding activities of Louis Arger because of his  
employment.

Chicago T-5 has knowledge of activities and  
associates of Louis Arger because of former employment.

Chicago T-6 is familiar with hoodlum activities  
in the Chicago area.

This document contains neither recommendations  
nor conclusions of the Federal Bureau of Investigation.  
It is the property of the Federal Bureau of Investigation  
and is loaned to your agency; it and its contents are not  
to be distributed outside your agency.

## FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE <b>CHICAGO</b>	OFFICE OF ORIGIN <b>CHICAGO</b>	DATE <b>7/1/65</b>	INVESTIGATIVE PERIOD <b>4/1/65--6/21/65</b>
TITLE OF CASE <b>LOUIS ARGER, aka</b>		REPORT MADE BY <b>JOHN H. WILMES</b>	TYPED BY <b>slw</b>
		CHARACTER OF CASE  <b>AR</b>	

REFERENCES: Report of SA JOHN H. WILMES, dated 4/1/65 at Chicago.

-P-

ENCLOSURES

TO BUREAU

Enclosed herewith are two((2) copies of a letterhead memo setting forth characterization of informants used in this report.

LEAD

CHICAGO

AT CHICAGO, ILLINOIS. Will conduct and report investigation regarding activities and associates of the subject.

APPROVED	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE: (3)--Bureau (925794) (Encls. 2) 1--USA, Chicago 2--Chicago (92-1039)		92-5794-23 JUL 6 1965	REC-11 ST-117
Dissemination Record of Attached Report		Notations	
Agency		NINE STAT. SECT.	
Request Recd.	1-Dept 7-19-65		
Date Fwd.			
How Fwd.	1-D+D		
By			

58 JUL 27 1965

CG (92-1039)

ADMINISTRATIVE

A reliable informant advised in April 1965 that  
LOUIS ARGER [redacted]

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b7D

[redacted]

b7D

[redacted]  
[redacted]

INFORMANTS

CG T-1 is [redacted] contacted May 6, 1965, by SA  
JOSEPH G. SHEA.

b7D

CG T-2 is PCI [redacted] contacted May 19, 1965,  
by SA JOHN H. WILMES.

CG T-3 is [redacted] contacted May 6, 1965 by SA JOSEPH  
G. SHEA.

CG T-4 is [redacted] contacted June 7, 1965, by  
SA JOSEPH G. SHEA.

CG T-5 is [redacted] contacted March 16, 1965, by SA  
JOSEPH G. SHEA.

CG T-6 is CG 6576-C.\*

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1--USA, CHICAGO

Report of: JOHN H. WILMES  
Date: 7/1/65

Office: Chicago

Field Office File #: 92-1039

Bureau File #: 92-5794

Title: LOUIS ARGER

Character: ANTI-RACKETEERING

## Synopsis:

LOUIS ARGER resides at 6120 North Keating, Chicago, Illinois. ARGER appears to be in good health. Current Illinois licenses on automobiles used by ARGER obtained. ARGER's boat was stored at Marina City at Chicago. He is reported to be a member of the Burnham Yacht Club Bookstore at 412 South State Street [REDACTED] ARGER plans to attend the wedding of the son of Chicago hoodlum, LESLIE KRUSE. ARGER observed in Cadillac of STEVE DE KOSTA in Chicago Loop. DE KOSTA was a witness for TONY ACCARDO in income tax trial. Former location of Star and Garter now being prepared for reopening. ARGER IS LISTED AS ARMED AND DANGEROUS AS HE IS REPORTED TO CARRY A GUN IN HIS AUTOMOBILE.

b6  
b7c-P-

DETAILS:

I. BACKGROUND

Residence

On June 15, 1965 it was determined through observation that LOUIS ARGER resides at 6128 North Keating, Chicago, Illinois.

Status of Health

LOUIS ARGER appears to be in good health although he has been known to have heart trouble in the past.

Automobiles Used By ARGER

Following investigation was conducted by IC JOSEPH D. HAMMITT:

[redacted] Auto Registration Section, Secretary of State, Springfield, Illinois, advised on May 12, 1965, that 1965 Illinois License LY-1408 was issued March 5, 1965, to LOUIS ARGER, 6128 N. Keating Avenue, Chicago, Illinois, for a 1964 Pontiac 2-door, VIN 894K46757. He also advised that 1964 Illinois License [redacted] was issued December 21, 1964 to [redacted] for a 1963 Oldsmobile convertible, VIN [redacted]

b6  
b7C

On March 22, 1965, ARGER's 1964 Pontiac Grand Prix was observed parked in front of 416 S. State Street in Chicago and was observed to have 1965 Illinois license [redacted]. At this time ARGER was observed to visit numerous establishments in the 400 block of S. State Street.

b6  
b7C

Boat Used by LOUIS ARGER

CG T-1 advised in May, 1965, that LOUIS ARGER's 30-foot Shepherd Twinscrew Motorboat named "Hi Pal" was in storage at Marina City in Chicago and that it would soon be where it is normally kept, in Slip 12 at Burnham Harbor.

CG T-2 advised in May, 1965, that LOUIS ARGER's boat the "Hi Pal" had two new motors installed in it by a former Chicago Police officer. The installation was done at the Chain-O-Lakes and the boat has since been moved from this location, but the boat is not yet at its normal spot, Slip 12, at Burnham Harbor.

## FEDERAL BUREAU OF INVESTIGATION

Date 5/19/651

[redacted] advised he resides at [redacted] the  
[redacted] also in Chicago.  
He furnished the following information:

b6  
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b7D

On 5/7/65 at Chicago, Illinois File # CG 92-1039

by SA JOHN H. VILMES [redacted] Date dictated 5/13/65

b6  
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-3-

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.



CG (92-1039)

Taxes

CG T-3 advised in May, 1965, that [REDACTED]

b7D

II. ACTIVITIES AND ASSOCIATES

On May 25, 1965, LOUIE ARGER was observed talking to three individuals in front of the Chez-Dot in the 500 block on South Wabash. ARGER departed with these persons in a late model Cadillac bearing 1965 Illinois license DS 3335 and proceeded to 412 South State Street. The above license number is registered to STEVE DE KOSTA, 1336 South Vine Street, in Park Ridge, Illinois on a Cadillac with serial number 62 M 012050. The individual driving this automobile appeared to be 5'10", weighing 160 pounds. The other two individuals with ARGER appeared as follows: one was a white male, 5'10", 200 pounds, heavy build, white hair, age--early sixties, extraction appeared to be Greek. The other was a Negro male, 6', 170 pounds, appeared to be thirty to forty years of age.

STEVE DE KOSTA was a witness for TONY ACCARDO in an income tax evasion trial in 1960 and is reported to be an associate of MURRAY HUMPHREYS and MARSHALL CAIFANO.

CG T-1 advised in May, 1965, that LOUIS ARGER's strip shows, the Chez-Dot on South Wabash and the Holiday Lounge on South State Street would soon be reopened, as ARGER was told that he would get approval from local authorities to reopen these shows.

On April 8, 1965, SA's [REDACTED] and PETROS KOTSOS determined through inquiry that a new bookstore, opened at 412 South State Street, is [REDACTED] by [REDACTED] and is known as the State Street Bookstore. The lease for this store was obtained from [REDACTED]. It was previously reported that LOUIS ARGER was going to operate a bookstore at that address, which would be a front for the sale of obscene-type literature.

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b7C

CG (92-1039)

On March 30, 1965, the subject's wife, MARION, was observed leaving ARGER's residence at 6128 North Keating in Chicago in her 1963 Oldsmobile 98 convertible. This automobile has 1965 Illinois license 872353 and has Chicago sticker U102078. She proceeded to the vicinity of Carmen and Kimball Avenue where she picked up [REDACTED] and then proceeded to a location at 8 South Wabash in Chicago. LOUIS ARGER was observed at this time.

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On April 23, 1965, observation at ARGER's residence indicated that interior decorating and yard work is being done. A truck parked in ARGER's driveway had painted on the door, [REDACTED] and the telephone number FI 5-4696. This telephone number was determined to be subscribed to by [REDACTED] in [REDACTED]. Also observed in the vicinity of ARGER's residence were the following 1965 Illinois license numbers:

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b7C

[REDACTED]

b6  
b7C

EG 5017  
CALLAGHAN and Company  
165 North Archer  
Mundelein, Illinois

[REDACTED]

CG T-4 advised in June, 1965, that [REDACTED] a [REDACTED] LOUIS ARGER recently inherited a large sum of money on the death of his father. [REDACTED] is reported to be closely associated with ARGER in some of his South State Street strip shows.

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CG T-1 advised in May, 1965 that LOUIS ARGER was planning to attend the wedding of [REDACTED] LESLIE KRUSE, a good friend and associate of ARGER's.

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CG T-5 advised in March, 1965 that an associate of LOUIS ARGER's named [REDACTED] the Dinerama Lounge located on the corner of South Wabash and Balbo. T-5

CG (92-1039)

said that this lounge is owned by a person of Greek extraction, who went to school with [redacted]

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CG T-6 advised in April, 1965, that LOUIS ARGER was in contact with a representative of Chicago's First Ward regarding the reopening of his strip joints and that LOUIE indicated he only had about one month to go until he would be allowed to reopen them.

On April 28, 1965, [redacted] advised he resides at [redacted] His residence telephone is [redacted] He is a [redacted] the [redacted]

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[redacted] During the 1964-65 period one of [redacted]

[redacted] The residence of this woman is in the [redacted] on [redacted] Although he is not aware of the name of this person, [redacted] There are two automobiles located at this residence, an Oldsmobile convertible and a late model Pontiac Grand Prix. The family also has a large dog which they keep in the garage during the winter. [redacted]

[redacted] he figured that the male of the household worked nights. He described the woman's husband as short, heavy set, appearing to be either a Greek or Italian. [redacted]

On May 21, 1965, [redacted] advised he is [redacted] During April, 1965, he was contacted by [redacted] who is in the decorating business and has a paint and hardware store at [redacted]

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[redacted] He recalled that there were two large police dogs which were kept in the basement of the house and that an iron gate kept them from the main part of the house. The dogs appeared to be extremely vicious. He does not know the residents of the house where this decorating was done.

CG (92-1039)

On May 26, 1965, [REDACTED]

[REDACTED] advised that he does interior and exterior decorating. Much of it is done in the Sauganash section of Chicago and in Lincolnwood, Illinois. While he was doing outside painting at a residence in Sauganash, he was contacted by a woman he knows only as MARION who asked him for an estimate on a interior decorating job at her residence at 6128 North Keating. He gave her the estimate and was hired to perform the work. When it was completed he was paid in cash, and he has no further information regarding the residence or the persons who occupy it.

b6  
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UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois  
July 1, 1965

*In Reply, Please Refer to  
File No.*

Title

LOUIS ARGER

Character

ANTI-RACKETEERING

Reference

is made to report of Special  
Agent John H. Wilmes, at Chicago,  
Illinois, dated and captioned  
as above.

All sources (except any listed below) whose identities  
are concealed in referenced communication have furnished reliable  
information in the past.



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

*In Reply, Please Refer to  
File No.*

Chicago, Illinois

July 1, 1965

LOUIS ARGER,  
ALSO KNOWN AS  
ANTI-RACKETEERING

Reference is made to report of Special Agent  
John H. Wilmes dated and captioned as above.

CHARACTERIZATION OF INFORMANTS

Chicago T-1 is an individual who because of his  
business activities is able to furnish information regarding  
ARGER, his activities, and associates.

Chicago T-2 is able to furnish information regarding  
activities of LOUIS ARGER because of his employment.

Chicago T-3 is   
and is able to furnish information regarding his activities.

b7D

Chicago T-4 is familiar with hoodlum activities in the  
Chicago area.

Chicago T-5 is in a position to furnish information  
regarding LOUIS ARGER and his associates.

Chicago T-6 has knowledge of activities and associates  
of LOUIS ARGER.

This document contains neither recommendations nor  
conclusions of the Federal Bureau of Investigation. It is  
the property of the Federal Bureau of Investigation and is  
loaned to your agency; it and its contents are not to be  
distributed outside your agency.



In Reply, Please Refer to  
File No.

UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois  
September 24, 1965

LOUIS ARGER,  
ALSO KNOWN AS  
ANTI-RACKETEERING

Reference is made to the report of Special Agent John H. Wilmes dated and captioned as above.

CHARACTERIZATION OF INFORMANTS

CG T-1 is [redacted]  
[redacted] of LOUIS ARGER and his associates.

b7D

CG T-2 is able to furnish information regarding activities of LOUIS ARGER because of his employment.

CG T-3 is in a position to furnish information regarding some business activities of LOUIS ARGER.

CG T-4 has knowledge of some activities of LOUIS ARGER because of his employment.

CG T-5 is familiar with hoodlum activities in the Chicago Area.

This document contains neither recommendations nor conclusions of the Federal Bureau of Investigation. It is the property of the Federal Bureau of Investigation and is loaned to your agency; it and its contents are not to be distributed outside your agency.

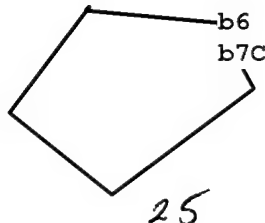
**SPECIAL INVESTIGATIVE DIVISION**

October , 1965

Teletype reports death from natural causes of Louis Arger, Chicago hoodlum associated with Gus Alex. Arger controlled strip joints in Chicago Loop for Chicago underworld.

*mer.*

*h*





FEDERAL BUREAU OF INVESTIGATION  
U. S. DEPARTMENT OF JUSTICE  
COMMUNICATIONS SECTION

OCT 1 1965

TELETYPE

Mr. Tolson \_\_\_\_\_  
Mr. Belmont \_\_\_\_\_  
Mr. Mohr \_\_\_\_\_  
Mr. DeLoach \_\_\_\_\_  
Mr. Casper \_\_\_\_\_  
Mr. Callahan \_\_\_\_\_  
Mr. Conrad \_\_\_\_\_  
Mr. Felt \_\_\_\_\_  
Mr. Gale \_\_\_\_\_  
Mr. Rosen \_\_\_\_\_  
Mr. Sullivan \_\_\_\_\_  
Mr. Tavel \_\_\_\_\_  
Mr. Trotter \_\_\_\_\_  
Tele. Room \_\_\_\_\_  
Miss Holmes \_\_\_\_\_  
Miss Gandy \_\_\_\_\_

FBI WASH DC

FBI CHICAGO

407 PM CDST DEFERRED 10-1-65 PAK

TO DIRECTOR (92-5794)

FROM CHICAGO (92-1039) 1P

LOUIS ARGER, AKA, AR. *Anti-racketeering*

FOR INFO BUREAU, LOUIS ARGER, LIEUTENANT OF GUS ALEX DIED OF HEART ATTACK EARLY AM TODAY. ARGER RECEIVED PHYSICAL EXAM YESTERDAY FROM PERSONAL PHYSICIAN WHO GAVE HIM CLEAN BILL OF HEALTH. AS BUREAU AWARE ARGER CONTROLLED STRIP JOINTS AND AMUSEMENT ARCADES IN SOUTH END OF CHICAGO LOOP AREA. ARGER HELD POSITION OF POWER DURING FIFTIES AND EARLY SIXTIES UNTIL PRESSURE CAUSED BY FBI INVESTIGATION INTO STRIP JOINT ACTIVITY AND USE OF PORNOGRAPHIC MOVIES IN ARCADES CAUSED LOCAL AUTHORITIES TO CLOSE THESE ASPECTS OF ARGERS OPERATIONS. THIS RESULTED DIRECTLY IN DRASTICALLY CURTAILED PAYOFFS TO CORRUPTED MEMBERS OF CHICAGO PD AND VIRTUALLY CLOSED UP AREA AS ONE OF CHICAGO'S MAIN VICE AREAS.

END

WA ....JXM

FBI WASH DC

TU CLERK 1000

CC: MR. GALE

REC- 24

92-5794-25

OCT 5 1965

MR. BELMONT FOR THE DIRECTOR

## FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE <b>CHICAGO</b>	OFFICE OF ORIGIN <b>CHICAGO</b>	DATE <b>11/2/65</b>	INVESTIGATIVE PERIOD <b>9/27 - 10/26/65</b>
TITLE OF CASE  <b>LOUIS ARGER, aka</b>		REPORT MADE BY  <b>JOHN H. WILMES</b>	TYPED BY  <b>gh</b>
		CHARACTER OF CASE  <b>AR</b>	

REFERENCE: Report of SA JOHN H. WILMES dated 9/24/65  
at Chicago.

-C-

ENCLOSURES

TO BUREAU

Enclosed herewith are two copies of a letter -  
head memorandum setting forth characterization of informants  
used in this report.

INFORMANTS


b7D

Pending Over One Year - YES  
Pending Prosecution for Over Six Months - NO

APPROVED  <i>[Signature]</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE:  ③ - Bureau (92-5794) (Encl. 2) 1 - USA, Chicago 1 - Chicago (92-1039)		72-5794-26	REC-19
		1 NOV 4 1965	EX-101
Dissemination Record of Attached Report		Notations	
Agency		<i>[Signature]</i> NOV 11 1965 [Stamp]	
Request Recd.	1-Dept 11-11-65		
Date Fwd.			
How Fwd.	1-IND		
By			

53 NOV 23 1965

CG 92-1039

<u>Source</u>	<u>Date Contacted</u>	<u>Contacted By</u>
CG T-1 PCI [REDACTED]	10/1/65	SA WILLIAM R. BRODERICK
CG T-2 [REDACTED]	10/1/65	SA WILLIAM L. HERRMANN
CG T-3 [REDACTED]	10/9/65	SA JOSEPH G. SHEA
CG T-4 [REDACTED]	10/9/65	SA JOSEPH G. SHEA

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UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago

Report of: SA JOHN H. WILMES  
Date: 11/2/65

Office: Chicago

Field Office File #: 92-1039

Bureau File #: 92-5794

Title: LOUIS ARGER

Character: ANTI-RACKETEERING

Synopsis: LOUIS ARGER died of a heart attack on October 1, 1965. ARGER's widow requested to get one-half interest in what owned by him. Attorney CORNELIUS PITT handling estate. Automobile with Michigan plates observed during July, 1965, with occupants in conversation with ARGER registered to [redacted] ARGER's boat registered to [redacted]

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-C-

CG 92-1039

DETAILS

At Chicago, Illinois, CG T-1 advised on October 1, 1965, that LOUIS ARGER died of a heart attack at his residence on that date.

On October 1, 1965, inquiry at the Adinamis Funeral Home, 4700 North Western Avenue, Chicago, Illinois, indicated that a wake was to be held for LOUIS ARGER from 6:30 p.m. to 10:30 p.m. on October 2, 1965, and from 10:00 a.m. to 10:00 p.m. on October 3, 1965. The funeral for ARGER was to be held at 12:30 p.m. on October 4, 1965, from the funeral home to St. Andrews Greek Orthodox Church, located at Hollywood and Sheridan Streets in Chicago.

CG T-2 advised on October 1, 1965, that LOUIS ARGER died of a heart attack on that date and that he reportedly had had a physical examination only the day before and had received a "clean bill of health".

CG T-3 advised on October 9, 1965, that the following persons were in attendance at the funeral of LOUIS ARGER on October 4, 1965:

[REDACTED]  
GEORGE BRAVO  
BUTCH LADON  
GUS ALEX

b6  
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b7D

[REDACTED]  
LESLIE KRUSE  
HARRY MARCUS

[REDACTED]  
JOHN D'ARCO  
PAT MARCY

[REDACTED]

b6  
b7C  
b7D

CG T-3 advised that [REDACTED] reportedly flew in from the West Coast to attend the funeral and that LESLIE KRUSE returned from Culver, Indiana, where he had been visiting his [REDACTED]

CG T-4 advised in October, 1965, that MARY ARGER, widow of LOUIS ARGER, will reportedly retain one-half interest in everything owned by ARGER in the arcades and strip shows located in the South State Street area of Chicago. T-4 advised that CORNELIUS PITT, an attorney who was related to ARGER, is handling the estate.

During July of 1965, a man and woman in a late model Pontiac with 1965 Michigan License [redacted] were observed in conversation with LOUIS ARGER in the 400 block of South State Street, Michigan Motor Vehicle License Registration reveals Michigan License [redacted] is registered to [redacted] owning a 1963 Pontiac. It is noted that [redacted] was previously connected with ARGER in the operation of the Dot Strip show, located on West Wabash Street in Chicago. Records of the Detroit, Michigan Police Department under number [redacted] indicate that [redacted] has previously been arrested and convicted for disturbing the peace in 1952 and has been arrested on several occasions for breaking and entering. In 1953, he was convicted for entering a building without permission and was sentenced to one year probation and \$50.00 in cost. In October, 1955, he was arrested for armed robbery and this charge was dismissed for lack of evidence. In 1957, [redacted] was arrested by the State Police at Center Line, Michigan and his driver's license was revoked and he was sentenced to 90 days for reckless driving. As of April 4, 1957, [redacted] has been listed as a fugitive.

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The following investigation was conducted by IC JOSEPH D. HAMMITT:

[redacted], Boat Files, Department of Conservation, Springfield, Illinois, advised on October 4, 1965, that boat license number [redacted] was issued October 5, 1964 to [redacted] for 1958 Sheperd boat, SN K7362. This license expires October 5, 1967 and describes this boat as a wooden boat with an inboard 225 horsepower motor and was previously registered to [redacted] and previously registered in Florida under Florida registration number [redacted]

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CG 92-1039

[redacted] also advised that boat license number [redacted] was issued June 14, 1962 to [redacted]. The application for this license reflects that this license expired June 6, 1965 and describes this boat as a 17-foot, 1961 Thompson Brothers boat, SN 20256, wooden with an outboard 75 horsepower motor.

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b7C



UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

*In Reply, Please Refer to  
File No.*

Chicago, Illinois  
November 2, 1965

Title LOUIS ARGER  
ALSO KNOWN AS

Character ANTI-RACKETEERING

Reference Report of Special Agent John H.  
Wilmes dated and captioned as  
above.

All sources (except any listed below) whose identities  
are concealed in referenced communication have furnished reliable  
information in the past.





UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

*In Reply, Please Refer to  
File No.*

Chicago, Illinois  
November 2, 1965

LOUIS ARGER,  
ALSO KNOWN AS  
ANTI-RACKETEERING

Reference report of SA JOHN H. WILMES dated  
November 2, 1965, at Chicago.

CHARACTERIZATION OF INFORMANTS

CG T-1 is in a position to detain information  
regarding activities of LOUIS ARGER.

CG T-2 has knowledge of [REDACTED]  
ARGER.

CG T-3 is in a position to furnish information  
regarding the hoodlum element in the Chicago area.

CG T-4 [REDACTED]  
[REDACTED] able to furnish information regarding his  
activities and associates.

b7D

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nor conclusions of the Federal Bureau of Investigation.  
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